

Japanese Patent Official Fees Reduction Rules

Version : 2020-07-16

1. Definitions / Requirements

The Japan Patent Office (JPO) promulgated new fee reduction rules which apply to any application and patent issued therefrom with a request for examination filed on or after 1 April 2019. An eligible applicant or patentee must apply for fee discount when filing the request for examination and again, if still qualified for such benefits, when adding additional claims in excess of the number previously paid, when paying the registration fee (including the 1st to 3rd year annual fees), and when paying the 4th to the 10th year annual fees. There is no remedy for a belated fee reduction request and, thus, no refund if one pays any of the said fees without filing as well the required request. Where some of the co-applicants or co-patentees are eligible for the benefits, the fee reduction amount shall be calculated proportionally. For non-Japanese foreigners, it is required to appoint a Japanese representative for the fee reduction requests. This article focuses mainly on issues concerning non-Japanese applicants and patentees. Should you have a permanent address or residence (or an office if the applicant or patentee is a legal entity) in Japan, please contact NAIP for further details.

※ Note:

- To request for fee reductions under the revised rules, the applicant or patentee will be required to declare the entitlement by identifying a specific entitlement category and, in cases of joint ownership, the ownership. Evidence of entitlement is generally waived. If necessary, however, **the JPO may in its discretion demand the submission of proof documents.**
- This article covers only some of the frequently-cited categories and criteria that NAIP summarizes and translates based information available on the JPO website. **Only the JPO is in the position to determine whether or not an applicant or patentee can pay the reduced fees.**

Listed below are some of the categories and requirements under the revised rules:

Categories	Requirements																								
I. SME (Company)	<p>Both requirements A and B must be satisfied:</p> <p>A. Status (deemed satisfied when an applicant or patentee has either the prescribed “number of employees” or the “capital amount or total investment”)</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Number of Employees</th> <th>Capital amount or Total Investment (Million Yen)</th> </tr> </thead> <tbody> <tr> <td>(1) Manufacturing, construction, transportation and other types of industry than those categorized in Items (2) to (7)</td> <td>≤300</td> <td>≤300</td> </tr> <tr> <td>(2) Wholesaling</td> <td>≤100</td> <td>≤100</td> </tr> <tr> <td>(3) Service (except for those categorized in Items 6 and 7)</td> <td>≤100</td> <td>≤50</td> </tr> <tr> <td>(4) Retailing</td> <td>≤50</td> <td>≤50</td> </tr> <tr> <td>(5) Rubber product manufacturing (except for automobile, aircraft tire, tube and industrial belt)</td> <td>≤900</td> <td>≤300</td> </tr> <tr> <td>(6) Software or information processing service</td> <td>≤300</td> <td>≤300</td> </tr> <tr> <td>(7) Accommodation</td> <td>≤200</td> <td>≤50</td> </tr> </tbody> </table> <p>B. Not dominated by other non-SME companies</p> <p>(1) One non-SME company does not own 1/2 or more of capital amount or total investment, and</p> <p>(2) Two or more non-SME companies do not own 2/3 or more of capital amount or total investment</p>	Category	Number of Employees	Capital amount or Total Investment (Million Yen)	(1) Manufacturing, construction, transportation and other types of industry than those categorized in Items (2) to (7)	≤300	≤300	(2) Wholesaling	≤100	≤100	(3) Service (except for those categorized in Items 6 and 7)	≤100	≤50	(4) Retailing	≤50	≤50	(5) Rubber product manufacturing (except for automobile, aircraft tire, tube and industrial belt)	≤900	≤300	(6) Software or information processing service	≤300	≤300	(7) Accommodation	≤200	≤50
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II. SME/Venture (Company)	<p>A. 10 years have not yet passed since establishment;</p> <p>B. The capital amount or total investment does not exceed 300 million yen; and</p> <p>C. Not dominated by other non-SME companies (legal entities whose capital amount or total investment exceeds 300 million yen)</p> <p>(1) One non-SME company does not own 1/2 or more of capital amount or total investment, and</p> <p>(2) Two or more non-SME companies do not own 2/3 or more of capital amount or total investment</p>																								
III. Other Small Business (Company)	<p>A. The number of employees is not more than 20 (5 for Commercial or Service category); and</p> <p>B. Not dominated by other non-SME companies.</p> <p>(1) One non-SME company does not own 1/2 or more of capital amount or total investment, and</p> <p>(2) Two or more non-SME companies do not own 2/3 or more of capital amount or total investment.</p>																								
IV. Individual	An individual whose annual income generated during the most recent fiscal year meets one of the following annual income requirements:																								

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	<p>A. Municipal tax exempt person (Those whose <i>total sum of the various income</i> (interest income, dividend income, real estate income, business income, salary income, retirement income, forest income, transferred income, temporary income and miscellaneous income) calculated according to the provisions of Article 23 to Article 35 and Article 69 of Income Tax Act of Japan (hereinafter referred to as "the Various Income") <i>is less than 1.5 million yen</i>);</p> <p>B. Income tax exempt person (Those whose <i>total sum of the Various Income</i> as prescribed <i>is less than 2.5 million yen.</i>); or</p> <p>C. Sole proprietor of tax exempt business (Those whose <i>total sum of real estate income and business income</i> calculated according to the provisions of Article 26 and Article 27 of Income Tax Act of Japan <i>is less than 2.9 million yen.</i>)</p>
V. Academic Discount	<p>A. (1) The president, vice-president, deputy director, professor, associate professor, assistant professor, lecturer, assistant, or other staff member who is exclusively engaged in research of the University corresponding to that defined by the provision of Article 1 of School Education Act of Japan (hereinafter referred to as "the University")</p> <p>(2) The principal, professor, associate professor, assistant professor, lecturer, assistant or other staff member who is exclusively engaged in research of the Technical College corresponding to that defined by the provision of Article 1 of School Education Act of Japan (hereinafter referred to as "the Technical College")</p> <p>B. (1) Those who establish a school corresponding to that defined as the University (National University Corporation, Municipal University Corporation, school corporation, etc.)</p> <p>(2) Those who establish a school corresponding to that defined as the Technical College (Incorporated National College of Technology, etc.)</p>

2. Fee Reduction

For those who meet the requirements of any aforesaid categories, certain fees may be reduced.

Categories	Request for Examination Fee	Registration Fee (1st to 3rd Year Annual Fees)	4th to 10th Year Annual Fees
I. SME*	1/2	1/2	1/2
II. SME/Venture*	2/3	2/3	2/3
III. Other Small Business*	2/3	2/3	2/3
Individual	IV.A.**	Exemption	Exemption
	IV.B.**	1/2	1/2
	IV.C.	1/2	1/2
V. Academic Discount*	1/2	1/2	1/2
*	For PCT applications filed in Japanese on or after 1 April 2019 at the JPO as the receiving office, certain fees charged during the international phase may be reduced.		
**	<p>For utility model applications or utility models registered therefrom, certain fees may be reduced, provided that the applicant or patentee is in fact the inventor himself or his successor and that the applicant or patentee so request with the prescribed certificates.</p> <p>- Individual IV.A.: Exemption on the Registration Fees (1st to 3rd Year Annual Fees) and on the Fees for the Petition for Utility Model Technical Opinion.</p> <p>- Individual IV.B.: A 3-year grace period for paying for the Registration Fees (1st to 3rd Year Annual Fees) and a 50% fee reduction for the Fees for the Petition for Utility Model Technical Opinion.</p> <p>Requirements and the prescribed certificates are clarified in the JPO website (in Japanese only).</p>		

Remarks :

- The information above was collected on 23 June 2020. In the event of any patent law changes in Japan, the new amendments shall prevail.
- We are not responsible for verifying the client's fee reduction qualification status and will follow the client's instructions to pay the official fees. In case of any changes of client's fee reduction qualification status, please inform us for processing in order to comply with the laws and rules of Japan.
- We do not assume any legal liability in cases of abandonment, payment failure, and/or other loss of rights or damage resulted from instructions or incorrect data provided by the client.
- Once a regular fee is paid, the JPO provides no refund even if a discount should have been possible.
- The fee reduction rules are complicated. [Details are available on the JPO website](#) (In Japanese only). For your reference, the JPO has summarized basic rules on patent fee reductions in two leaflets:
 - In Japanese: [《2019年4月～ 中小企業等の料金軽減制度のご案内》](#)
 - In English: ["A new patent fee reduction/exemption program has been launched"](#)