Taxes in Finland
Keywords

- Taxes — payments you must make to the government to finance welfare services.
- Withholding rate — the part of your wages that your employer withholds from your pay, and sends on to the Finnish Tax Administration.
- Finnish Tax Administration — the organisation that gathers the payments and gives advice on tax questions.
Keywords (continued)

- Pre-completed tax return — a report with information on your income and deductions during the year.

- Tax decision — the result of the calculation of your income, tax, and deductions for the year. You may get money back (a refund), or you may have to pay more (back taxes).

- Earned income — your pay, wages, salary etc.

- Progressive taxation — the rule that makes the tax rate higher when the income is higher.
How is the money used?

With tax money, Finland pays for:

- health care and medical care
- schools
- children's daycare
- higher education
- national defence
- facilities for sports, arts and hobbies.
You are a taxpayer, too:

- When you buy something, prices include Value-Added-Tax (VAT).

- You pay income tax when you work and get paid.

- You also pay income tax for:
  - Students' grant income
  - Pension income
  - Unemployment allowance
  - Business income.

- If you get rental income and if you get dividends, you pay income tax on capital income.
January: You get a new tax card.

April: You get a Pre-completed tax return – check it and make corrections, if necessary.

You get income during the year, and part of it is paid in (tax withholding).

September and October: You get a new Tax Decision if you made corrections in April.

December: You may get a refund OR you may have to pay back taxes.
Everyone must have a tax card (for receiving wages or other income).

It has the withholding rate printed on it. This tells your employer how much to withhold.

Your get a new tax card sent to you every year in January.
Tax cards (continued)

- Ask for a new tax card if your income changes during the year.
  - Tax Card Online (tax.fi/taxcard)
  - Telephone Service on 020 697 000.
  - Visit any Tax Office.
The tax card looks like this:

The withholding rate = how much money your employer withholds.

Wages and holiday bonuses are included in the income ceiling. Follow how much you earn and change your tax card, if necessary.

If you earn more than your income ceiling, your employer withholds tax according to the additional withholding rate.
Pre-completed tax return

- You get a pre-completed tax return every year, in spring. We send it by post.

- It shows your income and deductions as we know them.

- It also shows a first calculation of your taxes for the year: will you get a refund, or will you have to pay more.
Pre-completed tax return

- You must check the information.
- If any of the details are wrong, make corrections and send them to us.
- If the information is correct, you don't have to do anything.
Tarkista, että tulot ja vähennykset ovat oikein

Päivä, jolloin korjaukset pitää viimeistää tehdä

Veronpalautuksen tai jäännösveron määrä ja maksupäivä

Tarkista verotaulukon perusteena olevat tiedot

Verotaulukon valmistuttua, on tarkastaa, että verotaulukko on oikein kirjoitettu ja täytetty.
Tax Return on the Web

- Log in to make corrections
  - [Tax Return on the Web](vero.fi/veroilmoitus) (vero.fi/veroilmoitus)
  - The last date to make corrections is the date printed on your paper return form.

- Run the Demo version to practice
  - [Demo](vero.fi/veroilmoitus)
Tax decision

- The Pre-completed tax return is enclosed with a Tax decision (first version).
  - If there is no need to make corrections, the first version becomes the final version.
  - If you make corrections, a new Tax decision is sent to you in the autumn.

- Tax decision shows you: will you get money back, or will you have to pay more.

- Keep the papers.
About Refunds and Back Taxes

- If you overpaid tax during the year, you will receive a refund in December the following year.
  - Make an online bank account number notice for refunds (vero.fi/tilinumero)

- If you paid too little, you must pay more in December the following year (back tax).
  - The bank transfer forms are sent to you together with your Tax decision.
Taxes can be reduced by deductions

- You may ask for deductions which reduce the tax you have to pay.

- Some deductions are automatically calculated by the Tax Office.
Taxes can be reduced by deductions

- Travel expenses give you a deduction, but you must ask for it.

- We recommend that you inform us about your deductions. Do this when you check your tax return or ask for a new tax card.

- More about deductions (www.tax.fi)