

## **Q&A – Webinar: News for foreign corporate entities about applications for tax-at-source refunds on dividend (13.6.2017)**

### **1. What is the refund timeline/ processing timelines on Finnish Dividend withholding tax applications?**

*That depends on the grounds of your claim. The processing time for tax treaty cases is shorter than for EU Law claims. The claims are processed in the order they have arrived. The processing time for Tax Treaty cases is around 6-8 months counted from the arrival of the claim. The processing time for EU Law cases is longer and dependent of the complexity of the claim. However, interest is paid for the refund until the time of refund payment.*

### **2. is it possible to not require us to separate first and last name for individuals?**

*First and last name should be separated in their own boxes. Please find the instructions on how to fill out the form: [https://www.vero.fi/en-US/Precise\\_information/Forms/Forms\\_for\\_individual\\_taxpayers/Form\\_6164e\\_Enclosure\\_6167e\\_Application\\_\(39846\)](https://www.vero.fi/en-US/Precise_information/Forms/Forms_for_individual_taxpayers/Form_6164e_Enclosure_6167e_Application_(39846))*

### **3. Can we also go over documentation requirements as well as if original/copies are required for each forms**

*A refund application should include: the 6163e application form, a Certificate of Residence, and when applicable enclosure form 6167e and a Power of Attorney. If the applicant is applying on the basis of EU law, also remember to attach a more detailed description of the grounds for refund. Original documents should be attached if available, if not, please attach copies and possible explanation. Kindly note that the Finnish Tax Administration holds the right to require the original documents. Please find the instructions on how to fill out the form: [https://www.vero.fi/en/About-us/contact-us/forms/tayttoohjeet/form\\_6163e\\_enclosure\\_6167e\\_application/](https://www.vero.fi/en/About-us/contact-us/forms/tayttoohjeet/form_6163e_enclosure_6167e_application/)*

### **4. Hi, does this updated instruction only concern applications of refunds, but not relief at source, i.e. the detailed information to be provided to the Finnish custodian in order to achieve a relief at source has not changed?**

*Yes. The updated instruction on how to fill the refund application form 6163e only concerns refund applications. So far there haven't been any legislative changes concerning the detailed information to be provided to the Finnish custodian in order to achieve relief at source. However, please note that in addition to the information provided to the Finnish custodian at the time of the payment, you should be prepared to provide more detailed information on the dividend recipient's entitlement to the dividends in question and entitlement to tax treaty benefits if requested by Finnish Tax Administration.*

### **5. Question concerning QR codes - are they unique for each application?**

*Each Finnish Tax Administration's form has its own QR Code. The QR code for each 6163e or 6167e on the other hand is not unique. However, please note that when you receive an information request with a QR coded cover letter, the cover letter's QR code is unique, and is connected to the application mentioned in the request. Each cover letter should only be attached*

to a response concerning that specific request. You can check which cover letter is connected to which request by scanning the QR code.

## **6. Do power of attorneys require notarization**

*In general, we do not require the POA to be notarized, if we can verify that person's right to legally represent the applicant who undersigned the POA. This verification can be done for example from the Trade Register extract. If that kind of verification can't be done, or you find it difficult to show the signatory's right to represent the applicant, a notarized POA will of course be accepted.*

## **7. Hello. My question is regarding the payment of these applications. To my understanding there is interest paid on long form claims and there is an additional interest applied as well if payment is done after the decision date. Can you advise how we would calculate this amount as it is not included in the decision letter received?**

*The amount of interest on top of your claimed refund is stated on the decision letter. However, as the decision letter is formed before the payment itself is made, there is an additional amount of interest that goes on top of the interest specified on the decision letter. For more information regarding the interest, please refer to: [https://www.vero.fi/en/detailed-guidance/guidance/48518/interest\\_to\\_be\\_paid\\_on\\_a\\_refund\\_of\\_taxe2/](https://www.vero.fi/en/detailed-guidance/guidance/48518/interest_to_be_paid_on_a_refund_of_taxe2/)*

*If you are having trouble locating the refund on your account, it is highly recommended that you start providing your own reference on the application form, allowing you to better track down the refund.*

## **8. For partnerships - should all partners be listed or can a certain threshold are met example 80% of the partners making up residency of the country from which we want to claim for. Example if a US LP is claiming to be able to use the USA /Finnish Double tax treaty we need to include a full list or can for example the names of partners make up a threshold, 80%,90% of the ownership?**

*In such cases please list all of the partners not just those that make up the threshold.*

## **9. Can you please elaborate on the updated instruction concerning beneficial ownership of dividends: "This request concerns cases when all or some of the shares related to the payment specified on the application form were part of a total return swap, a futures contract or some other derivative contract; or if the shares were lent to another party or were part of some other legal or contractual obligation." Does this additional requirement only concern arrangements, where the specific shares in question are part of a legal or contractual obligation (e.g. share lending), but not arrangements that do not have any legal or contractual connection to the specific shares in question, although the underlying of the derivatives contract may be the value of the shares in the same listed company (e.g. a cash settled TRS entered into as a hedge)?**

*Please attach an explanation in both of the cases stated above.*

## **10. Hi, if we are applying for a refund based on EU law, we used to have to submit 6161e and this needed to be stamped by the foreign tax authority. Do we not need this anymore ie. do we just need to submit a certificate of residence? Thanks**

*The certificate of tax residency (COR) is a mandatory attachment as specified in the webinar and online instructions. In addition to the COR, the 6161e is needed in EU Law cases to establish that the Finnish tax-at-source cannot be fully credited in your country of residence. The 6161e itself is not mandatory, as the same information can be provided in other forms as well. For example, you can provide another form of document issued by the applicant's country of residence establishing the same fact. Alternatively, if the applicant is tax-exempt in the applicant's country of residence according to law, you can quote the relevant national legislation.*

**11. who or where can applicants reach out to regarding updates of the outstanding applications?**

*In case you wish to ask for an update on an outstanding application regarding corporate clients, please send your inquiry to following e-mail address: [whtreclaims@vero.fi](mailto:whtreclaims@vero.fi). If your application concerns an individual applicant, please contact the Tax service for specific International tax situations +358 29 497 024.*

*Kindly state in your inquiry whether the application is concerning tax convention between Finland and the applicant's country of residence or is the applicant applying for example based on the EU-law and the date when you have sent the application/s to Finnish Tax Authorities.*

**12. What is the current estimated processing time of dividend refund applications for dividends paid in 2016?**

*That depends on when the application was filed to us. We process the claims within the order they have arrived. Currently we are processing EU Law claims that have arrived in late 2015/early 2016 and tax treaty claims that have arrived in late 2016.*

**13. Please confirm that statute of limitation = 5 years, deadlines for appeals (5 years -> 3 years)**

*The statute of limitation, i.e. the time within which the applicant must file their claim or appeal, has changed from 1.1.2017 onwards. Before 1.1.2017, the statute of limitation for lodging your application for refund of Finnish withholding tax on dividend, interest or royalty payments was 5 years following the year of withholding. Starting from dividends paid in 2017, this statute of limitation has shortened to 3 years following the year of withholding. For appeals, the previous statute of limitation for lodging an appeal was 5 years from the decision date. Starting from decisions made after 1.1.2017, the statute of limitation for lodging an appeal has shortened from 5 years to 60 days. For more information on the shorter deadlines, follow the link: [https://www.vero.fi/en-US/Tax\\_Administration/Changes2017/Refund\\_applications\\_for\\_source\\_taxes\\_hav\(41231\)](https://www.vero.fi/en-US/Tax_Administration/Changes2017/Refund_applications_for_source_taxes_hav(41231)).*

**14. So do we need to apply for a Tax at Source Card to get relief at source going forward?  
From when is this applicable?  
Thanks**

*Only if you wish to have the EU Law based tax treatment already at source or it is unclear whether you are eligible to tax treaty benefits. In clear tax treaty cases the tax treaty can be applied at source without the tax-at-source card.*

**15. OK thx. Can you provide an average of the processing time? If it depends on the basis of the claim, please provide the average times for all categories.**

*The processing time for refund applications depends on when the application was filed to us. We process the claims within the order they have arrived. Currently we are processing EU Law claims that have arrived in late 2015/early 2016 and tax treaty claims that have arrived in late 2016.*

*For tax-at-source-card applications, we will take them under processing within approximately three weeks from when the application was received. The processing of the application of course also depends on whether we require further information or additional documents etc.*

**16. Where should these applications for Tax @ source card sent**

*For corporate clients, please send the tax-at-source-card application to the following address:*

*Uusimaa Corporate Tax Office  
International taxation  
PO Box 30  
FI-00052 VERO*

*If you need a street address for courier service, please add to the above: Vääksyntie 4, 00510 Helsinki*

*For individuals clients, please visit: [https://www.vero.fi/en/About-us/contact-us/forms/descriptions/application\\_for\\_a\\_nonresident\\_taxpayers/](https://www.vero.fi/en/About-us/contact-us/forms/descriptions/application_for_a_nonresident_taxpayers/)*

**17. Thank you - if it is a clear tax at source situation - are there any changes to documentations that we should keep on file in house in case of any queries?**

*The same documentation requirements still apply at source and you should also be prepared to show the dividend receiver's entitlement to the dividend in question and that the receiver was in fact the beneficial owner. Please note, that the documentation should be kept on file and should be presented, if requested - in all cases, including the basic tax treaty cases.*

**18. How long does does the application take to approve if all relevant info is sent?**

*The processing time for refund applications depends on when the application was filed to us. We process the claims within the order they have arrived. Currently we are processing EU Law claims that have arrived in late 2015/early 2016 and tax treaty claims that have arrived in late 2016.*

*When the Finnish Tax Administration has asked for more information regarding your application and you have sent your response, the final processing of the application will depend on whether your response is sufficient enough. We aim to process the application as soon as possible after receiving the response.*

**19. Form 6168e on FTA's website is named "Appeal against a Decision on refunds of tax at source" and during the presentation it was also mentioned in Standard Tax Reclaim part.**

**So my questions is: does this form apply only of Tax at source card as name suggests, or is it general appeal form provided by FTA?**

*Form 6168e is meant for appealing a refund decision, and is not related to tax-at-source cards. For example, if you have applied for a refund using form 6163e, and your claim has been rejected, you can appeal the decision by using form 6168e.*

**Please find the link to the recording:**

<https://www.youtube.com/watch?v=Bw5Mfq8waiE&feature=youtu.be>