

Descriptions of income types and items deducted from income 2020

Incomes Register Unit

Version history

Version	Date	Description
1.0	6/11/2019	Published a new version of the document containing the annual changes for 2020.
		Specified the references to Incomes Register instructions and the guidance for calculating the earnings of wage earners paid by the hour in Section 1 Information on the income type description.
		Specified the descriptions of the following income types: <ul style="list-style-type: none"> • 209 Kilometre allowance (taxable) -> Added information on the default social insurance contributions • 226 Share issue for employees -> Clarified guidance in situations when the benefit is not available to the entire personnel • 329 Reimbursement of family day care provider's expenses -> Changed the guidance relating to withholding • 419 Deduction before withholding -> Added information on the default social insurance contributions
1.01	21/4/2020	Specified the description of income type 334 when a reimbursement equalling the benefit's taxable value has been collected for the meal benefit,



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1. INFORMATION ON THE INCOME TYPE DESCRIPTIONS

This document describes the earnings payment report income types available in the Incomes Register, their descriptions, and the code values of the income types. The document also describes the items deducted from income, such as withholding, employee contributions and other payments collected from pay.

Several income types can be reported for one income earner on the same report. Although several income types can be specified, data on deductions from the income can be reported as a total amount for all income types.

The descriptions of the income types also indicate whether the income is subject to withholding. However, a law, decree or a decision of the Tax Administration may contain exceptions to the obligation to withhold tax in certain situations. Even if withholding is unnecessary, the income must be reported to the Incomes Register. The descriptions of the income types do not separately mention tax at source. Although the descriptions do not separately mention tax at source, this is collected from the income instead of withholding, if the income earner is a non-resident taxpayer, or tax at source must otherwise be collected from the income.

The descriptions of the income types also indicate which social insurance contributions the income type is subject to. The document, "Reporting data to the Incomes Register: insurance-related data", also specifies the income types for which social insurance contributions may vary. The descriptions of these fifteen income types detail which social insurance contributions are the default for the income type. If the income is paid according to the default, the social insurance contributions do not need to be specially determined. If, however, the payment is made in non-default situations – for example, the income earner is not employed by the payer – the payer can use the Type of insurance data related to the income type. The Incomes Register project has prepared a separate document, "Code sets – Income types", describing the default values of the social insurance contributions of the different income types, and the income types where the social insurance contributions may vary.

Code value in front of the name and description of the income type depicts the unique code value of the income type in question used to report the income type to the Incomes Register.

The **M and V denotations** after the income type descriptions indicate whether the data is voluntarily reported complementary data (V), or whether reporting the data is mandatory if the income in question is paid (M).

Some of the earnings payment report income types available in the Incomes Register are regularly reported mandatory data, if the incomes in question are paid. The mandatory information matches the annual information returns currently collected by the Tax Administration, earnings-related pension institutions, the Unemployment Insurance Fund and occupational accident insurance companies. The mandatory income types are indicated later in this document, with a 'M' in the description of each income type.



In addition to mandatory income information, payers are provided with the possibility of reporting complementary additional information in the Incomes Register, e.g. for social insurance purposes. Some complementary data comprises individual income types (hereinafter referred to as complementary income types), while some are separate data sets (hereinafter referred to as other complementary additional data). (See the document "Reporting data to the Incomes Register: mandatory and complementary data in the earnings payment report".)

If an income type is voluntary and therefore complementary, this is indicated with a 'V' in the descriptions of the income types given below. Voluntarily submitted complementary income types comprise income types reported using reporting method 2 for wages and some other, separately reported income types described below. It is up to the payer whether to submit the data at the precision level of voluntary income types. Of the separately reported income types, these kinds of income types include Meal benefit, Telephone benefit and Accommodation benefit. The payer can submit the data in itemised form. However, it must, at a minimum, be submitted as a total amount using the Other fringe benefit income type. In such a case, whereas the payer must separately specify what the income reported using the Other fringe benefit income type includes, there is no need to itemise the amounts of individual fringe benefits. Correspondingly, a meal allowance can be reported separately, but must be reported using the Daily allowance income type at a minimum. At the same time, the Type of daily allowance data connected to the Daily allowance income type must be used to report that the income type includes a meal allowance.

Correspondingly, some data on items deducted from income is voluntary, such as Net wage or salary, and Wages paid. It should be noted that some data users need, for example, voluntarily reported deductions from the wages in an itemised format.

Method following the description of the income type depicts the reporting method of the data:

- Reporting method 1 (mandatory minimum level, the Total wages income type) is indicated with the number 1, and reporting method 2 (complementary income types) with the number 2.
 - Reporting method 1 (Total wages income type) includes all complementary income types of reporting method 2.
 - However, the income types of reporting method 1 and reporting method 2 cannot appear in the same report. However, the payer can vary the reporting methods used in different reports.
- Separately reported income types and items deducted from the wages are indicated with a marking (1 and 2).
 - Separately reported income types and items deducted from the income can be reported together with both reporting method 1 and reporting method 2.
 - The voluntarily reported complementary income types (V denotation) of the separately reported income types are not included in the income of reporting method 1 (the Wages total income type).



The income types in the Incomes Register provide the level of precision required by all or some data users. A payroll system may have more income types, and income information may have to be itemised in more detail than in the Incomes Register, for example due to collective agreements. In such a case, the payroll system must encode the income types used in the system to match the income types used in the Incomes Register. If, for example, the payroll software includes special bonuses as separate income types, such as cold region bonus or archipelago bonus, the income on which these bonuses are based is reported using the Working condition compensation, Other compensation or Wages total income type of the Incomes Register. Correspondingly, if compensation is paid for working time or exceptional situations not included as separate income types in the Incomes Register, such as midweek holiday or holiday eve compensation, such income is reported to the Incomes Register using, for example, the Other compensation or Total wages income type.

The Incomes Register instructions describe on a general level how the individual pay types used by a company can be allocated to the income types used by the Incomes Register. As there are thousands of different individual pay types, the Incomes Register cannot comment on the allocation of all individual pay types. In the sector-specific wage statistics of Statistics Finland, the data contents of the monthly and hourly pay statistics differ from each other. The data contents have been created so that the key earnings concepts of the statistics (monthly earnings for regular working hours in the case of people paid a monthly salary, and the hourly earnings for regular working hours in the case of people paid by the hour) can be calculated from the payroll data.

In the case of **wage earners with a monthly salary**, wages paid for all work outside regular working hours can be entered as a total in the appropriate fields, i.e. to the income types for Extra work premium, Emergency work compensation and Overtime compensation with their basic amounts, increases and premiums.

Earnings from regular working time paid to **wage earners paid by the hour** are calculated so that all pay types paid for regular working time are totalled and divided by all working hours performed. Increases paid for work performed outside regular working time are not included in the sum. Working time premiums do not need to be itemised based on whether the work was performed during regular working hours or, for example, during overtime; instead, they are all entered under the proper sections, such as evening shift allowance. All basic components of the wages are reported as time-rate pay or contract pay, and only the increases are reported of the overtime compensation, extra work premiums, and emergency work compensation.



2. REPORTING METHOD 1 (mandatory minimum level)

The minimum level of detail for reporting monetary wages

This data can be submitted together with separately reported income types and items deducted from the wages.

CODE VALUE	INCOME TYPE NAME	DESCRIPTION		MET HOD
101	Total wages	<p>The monetary wages paid to the income earner in total. The minimum level for reporting monetary wages.</p> <p>Tax is withheld from the total amount of wages, and they are also subject to social insurance contributions (earnings-related pension, health, unemployment, and accident and occupational disease insurance contributions).</p> <p>If part of the income reported using the Total wages income type is not grounds for social insurance contributions, and the income is thus not included in earnings from work, the payer reports the part of income subject to different contributions by using the income subtypes related to reporting method 1, such as Total wages subject to a social insurance contribution.</p> <p>You can submit the Total wages income type only once on a report unless unjust enrichment or recovery is connected to the income type.</p> <p>If the payment made or part of it is not subject to social insurance contributions (or some kind of social insurance contribution), the payer must use the information in the Type of insurance information data group for the exceptions, allowing the removal of the required default from the total amount (the main income type).</p> <p>See the rules and examples in the instructions Reporting data to the Incomes Register: monetary wages and items deducted from wages and Reporting data to the Incomes Register: insurance-related data.</p> <p>The income type contains all itemised complementary income types of reporting method 2, expressed as a total:</p> <ul style="list-style-type: none"> • Time-rate pay • Initiative fee • Bonus pay • Complementary wage/salary paid during benefit period • Emergency work compensation • Evening work compensation 	M	1



		<ul style="list-style-type: none"> • Evening shift allowance • Notice period compensation • Kilometre allowance (taxable) • Meeting fee <ul style="list-style-type: none"> • Saturday pay • Extra work premium • Holiday bonus • Lecture fee • Compensation for acting in a position of trust • Other compensation • Waiting time compensation • Working condition compensation • Commission • Partial pay during sick leave • Sunday work compensation • Benefit arising from synthetic option • Performance bonus • Monetary compensation from a working time bank <ul style="list-style-type: none"> • Compensation for accrued time off • Share issue for employees • Contract pay • Damages in conjunction with termination of employment and lay-off <ul style="list-style-type: none"> • Voluntary compensation in conjunction with termination of employment • Stand-by compensation • Weekly rest compensation • Profit-sharing bonus • Annual holiday compensation • Overtime compensation • Night work compensation • Night shift allowance 		
103	Total wages subject to social insurance contributions	<p>The income earner's total wages subject to social insurance contributions.</p> <p>This income type is used only when the wages subject to social insurance contributions differ from the amount of income reported using the Total wages income type.</p> <p>If the "Total wages subject to social insurance contributions" (103) income type has been included in a report, income types with code values 102, 104, 105 and 106 must not be included in the report.</p> <p>This information cannot be submitted if no income has been reported using the Total wages income type.</p>	M	1



102	Total wages subject to earnings-related pension insurance contribution	<p>The income earner's total earnings from work on which the earnings-related pension is based.</p> <p>This income type is used only when the earnings from work subject to the pension insurance contribution differ from the amount of income reported using the Total wages income type.</p> <p>This information cannot be submitted if no income has been reported using the Total wages income type. This information cannot be submitted, if the "Total wages subject to social insurance contributions" income type (code value 103) has been specified.</p>	M	1
104	Total wages subject to health insurance contribution	<p>The income earner's total wages subject to a health insurance contribution.</p> <p>This income type is used only when the wages subject to a health insurance contribution differ from the amount of income reported using the Total wages income type.</p> <p>This information cannot be submitted if no income has been reported using the Total wages income type. This information cannot be submitted, if the "Total wages subject to social insurance contributions" income type (code value 103) has been specified.</p>	M	1
105	Total wages subject to unemployment insurance contribution	<p>The income earner's total earnings from work on which the unemployment insurance contribution is based.</p> <p>This income type is used only when the earnings from work subject to the unemployment insurance contribution differ from the amount of income reported using the Total wages income type.</p> <p>This information cannot be submitted if no income has been reported using the Total wages income type. This information cannot be submitted, if the "Total wages subject to social insurance contributions" income type (code value 103) has been specified.</p>	M	1
106	Total wages subject to accident and occupational disease insurance contribution	<p>The income earner's total earnings from work on which the accident and occupational disease insurance contribution is based.</p> <p>This income type is used only when the earnings from work subject to the accident and occupational disease insurance contribution differ from the amount of income reported using the Total wages income type.</p> <p>This information cannot be submitted if no income has been reported using the Total wages income type. This information cannot be submitted, if the "Total</p>	M	1



		wages subject to social insurance contributions" in- come type (code value 103) has been specified.		
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3. REPORTING METHOD 2 (complementary income types)

The higher level of detail for reporting monetary wages

This data can be submitted together with separately reported income types and items deducted from the wages.

CODE VALUE	INCOME TYPE NAME	DESCRIPTION		METHOD
201	Time-rate pay	<p>Wages paid based on the time worked. Time-rate pay can be defined for a calendar month, for example.</p> <p>Tax is withheld and employer's social insurance contributions paid from time-rate pay.</p>	V	2
202	Initiative fee	<p>One-off remuneration paid to the originator of an initiative related to the development of operations or a product, for example.</p> <p>If the initiative fee is related to work agreed in the employment contract, the fee is treated as wages, i.e., in addition to withholding, social insurance contributions are paid from the fee.</p> <p>If the recipient of the initiative fee is not employed by the payer, or the initiative is not related to the work agreed in the employee's employment contract, no social insurance contributions are paid for the fee. In this kind of situation, tax is withheld from the initiative fee, unless the recipient of the initiative fee is registered in the Prepayment Register.</p> <p>By default, this income type is subject to social insurance contributions.</p> <p>In an exceptional case where the initiative fee is not subject to the above-mentioned contributions, the payer reports the insurance information separately. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>	V	2
203	Bonus pay	<p>One-off remuneration, the amount of which is partially or fully determined by how well the work result set as the target is achieved. The performance metric can be volume, quality, or some other performance factor.</p> <p>Bonus pay differs from commission by being one-off in nature, while a commission is a remuneration of a continuous nature. Both of these are based on</p>	V	2



		<p>achieving a pre-set target for a person or a group. Bonus pay differs from profit-sharing bonus in that the profit-sharing bonus is paid without a plan agreed in advance, based on the company's profit.</p> <p>Tax is withheld and employer's social insurance contributions are paid from the bonus pay.</p>		
204	Complementary wage/salary paid during benefit period	<p>Wages paid to an employee receiving a benefit that cover the difference between full wages and the benefit paid.</p> <p>Such a benefit could be a daily sickness allowance paid by Kela. If the employer pays complementary wages during the benefit period, Kela pays the benefit directly to the employee, not the employer.</p> <p>Tax is withheld and employer's social insurance contributions are paid out of the complementary wages paid during the benefit period.</p>	V	2
205	Emergency work compensation	<p>Working time compensation paid for emergency work. Emergency work means work assigned in an emergency situation outside regular working hours.</p> <p>Tax is withheld and employer's social insurance contributions are paid from emergency work compensation.</p>	V	2
206	Evening work compensation	<p>Working time compensation paid for evening work. Evening work compensation can be paid for regular working hours, or for time exceeding regular working hours.</p> <p>Tax is withheld and employer's social insurance contributions are paid from evening work compensation.</p>	V	2
207	Evening shift allowance	<p>Shift work compensation paid for an evening shift.</p> <p>Tax is withheld and employer's social insurance contributions are paid from the evening shift allowance.</p>	V	2
208	Notice period compensation	<p>Compensation paid by an employer to an employee when employment is terminated without a notice period, i.e., when the notice period is disregarded and the employment is terminated with immediate effect (Employment</p>	V	2



		<p>Contracts Act 6:4). This income type is also used when reporting a compensation paid by the employer, when an employee gives notice due to a lay-off that has lasted over 200 days, and when the employer terminates an employee who has been laid off.</p> <p>This income type is used to report only those items paid when employment is terminated without a notice period. The wages paid for the notice period are reported using other income types, such as the "Total wages" or "Time-rate pay" income types.</p> <p>Tax is withheld but social insurance contributions are not paid from notice period compensation.</p>		
209	Kilometre allowance (taxable)	<p>Kilometre allowance that does not meet the requirements set for tax-exemption.</p> <p>A taxable kilometre allowance can be paid to both employees and other persons. There are several criteria for the taxability of kilometre allowances. The Tax Administration has defined a maximum amount for the tax-exempt kilometre allowances paid by an employer to an employee; the part exceeding this amount is taxable income. Kilometre allowances paid to a commissioned person are taxable income in their entirety.</p> <p>This income type is used only to report taxable kilometre allowances paid to employees. If a taxable kilometre allowance is paid to a commissioned person or organisation, the allowance is reported as non-wage compensation for work and the cost is added to the amount of non-wage compensation for work (see the description of the Non-wage compensation for work income type).</p> <p>Tax is withheld from the income. The default of the income type is that it is subject to social insurance contributions. If the paid kilometre allowance is not subject to some social insurance contribution, the payer must specify the social insurance contribution the allowance is not subject to using the separate Type of insurance information data item. See the instructions Reporting data to the Incomes Register: insurance-related data.</p> <p>This situation may arise, for example, when the employer pays the employee taxable kilometre allowance based on a collective agreement on more lenient grounds than those defined in the Tax Administration's decision of expenses and the amount</p>	V	2



		of the allowance does not exceed the maximum amounts of tax-exempt payments in accordance with the Tax Administration's decision of expenses. In this case, the income is not subject to earnings-related pension, unemployment, or accident and occupational disease insurance contribution.		
210	Meeting fee	<p>A fee paid for participating in a meeting.</p> <p>Tax is withheld from a meeting fee.</p> <p>If the payment of the meeting fee is based on work performed in an employment relationship, social insurance contributions are paid from the meeting fee.</p> <p>If the recipient is not in an employment relationship, the obligation to pay earnings-related pension insurance contribution, the employer's health insurance contribution, and the employee's daily allowance contribution of health insurance from the fee will vary according to the applicable law. If the payment of the meeting fee is not based on work performed in an employment relationship, the employer can, if it so desires, voluntarily take out pension insurance for the income earner.</p> <p>By default, this income type is not subject to social insurance contributions.</p> <p>If the meeting fee is subject to social insurance contributions, the payer must use the separate Type of insurance information entry to report that the income is subject to a specified insurance contribution. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>	V	2
211	Saturday pay	<p>Working time compensation paid for work on a Saturday. Saturday pay can be paid for regular working hours or for time exceeding regular working hours.</p> <p>Tax is withheld and social insurance contributions are paid from the pay.</p>	V	2
212	Extra work premium	<p>Working time compensation paid for extra work.</p> <p>Tax is withheld and the employer's social insurance contributions are paid from the pay.</p>	V	2
213	Holiday bonus		V	2



		<p>A bonus paid in addition to annual holiday pay based on an employment contract or collective agreement, the amount of which is determined according to the collective agreement applicable in the field or the number of holiday days earned during the previous holiday credit year.</p> <p>Tax is withheld and social insurance contributions are paid from the holiday bonus.</p> <p>Supplements to annual holiday pay are subject to an itemisation and reporting obligation, regardless of whether the term 'holiday pay' is used. Such an itemisation is required for Kela and the unemployment fund, and for claims handling for an accident at work, for example.</p>		
214	Lecture fee	<p>A fee paid for giving a lecture.</p> <p>Tax is withheld from the lecture fee.</p> <p>If the payment of the lecture fee is based on work performed in an employment relationship, social insurance contributions are paid from the lecture fee.</p> <p>If the recipient is not in an employment relationship, the obligation to pay a earnings-related pension insurance contribution, the employer's health insurance contribution, and the employee's daily allowance contribution of health insurance from the fee vary according to the applicable law.</p> <p>By default, this income type is not subject to social insurance contributions.</p> <p>If the lecture fee is subject to social insurance contributions, the payer must use the separate Type of insurance information entry to report that the income is subject to a specified insurance contribution. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>	V	2
215	Compensation for acting in a position of trust	<p>Remuneration paid for acting in a position of trust, with the exception of participating in meetings.</p> <p>Tax is withheld from compensation for acting in a position of trust.</p> <p>When compensation for acting in a position of trust is paid, the recipient is not usually in an employment relationship with the payer; in such cases, social insurance contributions are not paid from the compensation.</p>	V	2



		<p>In the private sector, however, the health insurance contribution is paid from the compensation, for acting in a position of trust. Additionally, the pension insurance contribution is paid, if the payer has taken out voluntary earnings-related pension insurance for the person acting in a position of trust.</p> <p>An earnings-related pension contribution is paid for certain types of public sector compensation for acting in a position of trust.</p> <p>As a default, this income type is subject to the employer's health insurance contribution and the employee's daily allowance contribution of health insurance. However, as a default, the income is not subject to pension insurance contribution, unemployment insurance contribution or accident and occupational disease insurance contribution.</p> <p>If compensation for acting in a position of trust is, for example, subject to pension and unemployment insurance contributions, the payer should report the insurance information separately for these contributions. Similarly, the payer should use the Type of insurance information entry to report if the compensation is not subject to a health insurance contribution. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>		
216	Other compensation	<p>The total amount of other working time and exceptional situation compensations paid. These include holiday eve compensation, midweek holiday compensation, and other compensation and bonuses paid in accordance with collective agreements or employment contracts.</p> <p>Tax is withheld and social insurance contributions paid from the compensation paid.</p>	V	2
217	Waiting time compensation	<p>Compensation to which an employee is entitled if the payment of their wages is delayed after the end of the employment relationship. Unless otherwise agreed, the wages must be paid on the last day of the pay period. Waiting time compensation can be paid for no more than six days.</p> <p>Tax is withheld but social insurance payments are not paid from waiting time compensation.</p>	V	2



218	Working condition compensation	<p>A wage supplement paid based on the conditions at the location where the work is performed. Working condition compensation is, for example, a supplement paid based on a collective agreement or an employment agreement such as a foaming supplement, cold region bonus and archipelago bonus.</p> <p>Tax is withheld and social insurance contributions are paid from working condition compensation.</p>	V	2
219	Partial pay during sick leave	<p>Wages for the duration of illness reduced in accordance with the law or a collective agreement. The share of income the person has received, in a reduced amount, during their illness is reported as partial pay during sick leave.</p> <p>Tax is withheld and social insurance contributions paid from partial pay during sick leave.</p> <p>If items not subject to social insurance contributions are paid as partial pay (e.g. damages in conjunction with termination of employment), the payer reports the insurance details using the separate Type of insurance information entry. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>	V	2
220	Commission	<p>Remuneration of a continuous nature forming a permanent part of the wages, the amount of which is agreed in the employment contract.</p> <p>Tax is withheld and social insurance contributions are paid from the commission.</p>	V	2
221	Sunday work compensation	<p>Working time compensation paid for work on a Sunday. Sunday pay can be paid for regular working hours, or for time exceeding regular working hours.</p> <p>Tax is withheld and social insurance contributions paid from the pay.</p>	V	2
222	Benefit arising from synthetic option	<p>A privilege based on which the income earner is not entitled to subscribe shares underlying the option at the strike price; instead, the income earner receives the difference between the strike price and the share value as money (net value settlement) at the time of execution. A synthetic option does not affect the subscription of shares.</p>	V	2



		<p>In practice, a synthetic option concerns a monetary payment, the amount of which is determined by the development of the employer company's share price. Instead of a synthetic option, this arrangement may be called a share-based bonus or reward system.</p> <p>Tax is withheld from a benefit arising from an option, but no social insurance contributions are paid.</p>		
223	Performance bonus	<p>Remuneration paid based on meeting or exceeding the organisation's performance target agreed in advance.</p> <p>Tax is withheld and social insurance contributions paid from a performance bonus.</p>	V	2
224	Monetary compensation from a working time bank	<p>Wages paid based on the time saved in a working time bank.</p> <p>Withdrawing wages from a working time bank tends only to be possible in exceptional situations, such as upon termination of employment or when the working time bank is dissolved. In some working time banks, it is also possible to withdraw wages or free time on credit.</p> <p>Tax is withheld and social insurance contributions paid from monetary compensation from a working time bank.</p>	V	2
225	Compensation for accrued time off	<p>Working time compensation paid from the loss of earnings caused by the equalisation of working time with the average weekly working time.</p> <p>Compensation for accrued time off is paid for regular working hours. The accrued holiday compensation is an example of compensation for accrued time off.</p> <p>Tax is withheld and social insurance contributions paid from such compensation.</p>	V	2
226	Share issue for employees	<p>A share issue targeted at the company's personnel. The benefit that arises from the right to subscribe the employer company's shares based on an employment relationship is taxable income.</p>	V	2



		<p>If the benefit is available to the majority of personnel, only the share exceeding a 10% discount is reported using this income type. Tax is withheld from a share issue for employees, but the income is not subject to social insurance contributions.</p> <p>If the benefit is not available to the majority of the personnel, the entire discount received is regarded as wages subject to social insurance contributions. In this case, the payer reports the entire amount of the payment using the income type Share issue for employees (226) and specifies that the payment is subject to social insurance contributions with the help of the Type of insurance information data related to the income type. See the instructions Reporting data to the Incomes Register: insurance-related data.</p> <p>The subscription benefit also applies to shares in an organisation.</p>		
227	Contract pay	<p>Performance pay, paid based on the performance of a work contract agreed in advance. Contract pay includes both a fixed and variable component.</p> <p>Tax is withheld and social insurance contributions are paid from contract pay.</p>	V	2
229	Damages in conjunction with termination and lay-off	<p>Compensation that the employer is obligated to pay after terminating an employment relationship in violation of the Employment Contracts Act, Act on Civil Servants in Local Government or State Civil Servants' Act. Compensation for the cancellation of an employment contract (ECA 8:1, 55/2001) and compensation for unjustified lay-off are also reported in this section.</p> <p>Damages to be paid due to the groundless termination of an employment relationship can be based on a decision by a court, a reconciliation confirmed by a court, a result of negotiations between the associations representing the parties to the employment relationship, or an agreement between the parties to the employment relationship.</p> <p>Damages in conjunction with termination of employment or lay-off or other comparable compensation are not taxable income, unless they have been received instead of taxable income or as compensation for reduced subsistence. Neither is compensation for neglect of co-operation procedure obligations, as defined</p>	V	2



		<p>in more detail in the related legislation, regarded as taxable income.</p> <p>This income type is used only to report taxable amounts, i.e., not the tax-exempt compensation paid under the Act on Co-operation within Undertakings or the Equality Act. Tax-exempt damages are not reported to the Incomes Register.</p> <p>This income type is not used to report compensation based on the performance of work paid in connection with the termination; instead, it is reported using other income types, such as the "Total wages" or "Time-rate pay" income types.</p> <p>Tax is withheld, but social insurance payments are not paid from taxable damages.</p>		
230	Stand-by compensation	<p>Wages paid to the employee for being available for call-out to work, if required by the employer, to perform duties under their employment.</p> <p>Tax is withheld and social insurance contributions paid from stand-by compensation.</p>	V	2
231	Voluntary compensation in conjunction with termination of employment	<p>Compensation voluntarily paid by the employer when employment is terminated or dissolved, or ended by agreement.</p> <p>In situations where employment is terminated, voluntary compensation paid includes CEO's severance compensation (so-called golden parachutes), severance compensation, severance pay, and severance packages. Such compensation can also be non-monetary.</p> <p>Tax is withheld but social insurance payments are not paid from the compensation.</p>	V	2
232	Weekly rest compensation	<p>Working time compensation paid for work performed during weekly rest times.</p> <p>Tax is withheld and social insurance contributions are paid from weekly rest compensation.</p>	V	2
233	Profit-sharing bonus	<p>Remuneration distributed among employees without an advance plan, by a decision of the annual general meeting and determined based in the company's profits.</p>	V	2



		<p>Tax is withheld from all profit-sharing bonuses other than those transferred into a personnel fund. No social insurance contributions are paid from a profit-sharing bonus paid by the company into a personnel fund, or profit-sharing bonuses directly withdrawn by the employee as cash in accordance with the personnel fund rules.</p> <p>If the company does not have a personnel fund as defined in the Act on Personnel Funds, no social insurance contributions are paid from the profit-sharing bonus if it is paid to the employee on the basis of a decision by the annual general meeting as a profit distribution or cash profit-sharing bonus, on condition that the profit-sharing bonus is paid to all personnel and is not intended to replace a wage system required under a collective agreement or employment contract. Furthermore, the basis for determining a cash bonus must be in accordance with section 70, subsection 3(10) of the Employees' Pensions Act and section 2, items 2 and 3 of the Act on Personnel Funds, and the amount of the company's free capital must be larger than the total amount of the cash-based profit-sharing bonus and the dividend paid to shareholders as decided by the Annual General Meeting. The Act on Financing of Unemployment Benefits includes a similar provision, as does the Occupational Accidents, Injuries and Diseases Act.</p> <p>By default, this income type is not subject to social insurance contributions.</p> <p>If the profit-sharing bonus is subject to the above-mentioned contributions, the payer reports the insurance details using the separate Type of insurance information data group. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>		
234	Annual holiday compensation	<p>Monetary compensation paid instead of granting an annual holiday. Annual holiday compensation may be paid during an employment relationship or when an employment relationship ends.</p> <p>This income type is also used to report the construction sector's holiday bonus. In the collective agreement, the holiday compensation, holiday pay and holiday bonus are combined into a single compensation called holiday bonus, amounting to 18.5% of the earnings from the holiday credit year.</p>	V	2



		<p>As a rule, one third of the construction sector's holiday bonus is a holiday bonus and two thirds holiday pay or holiday compensation, depending on whether the employment relationship continues or was terminated.</p> <p>Compensation for additional days off supplementing the annual holiday is reported using income type Other taxable benefit for employees (315).</p> <p>Tax is withheld and social insurance contributions are paid from annual holiday compensation.</p>		
235	Overtime compensation	<p>Working time compensation paid for overtime work. Work that is performed at the initiative of the employer during working time exceeding the agreed overtime limit is deemed to be overtime work.</p> <p>Tax is withheld and social insurance contributions are paid from overtime compensation.</p>	V	2
236	Night work allowance	<p>Working time compensation paid for night work.</p> <p>Tax is withheld and social insurance contributions are paid from the night work allowance.</p>	V	2
237	Night shift compensation	<p>Shift work compensation paid for a night shift.</p> <p>Tax is withheld and social insurance contributions paid from night shift compensation.</p>	V	2



4. SEPARATELY REPORTED INCOME TYPES

This data can be submitted in connection with reporting method 1 (Total wages) and reporting method 2 (complementary income types), and in connection with items deducted from the income in the same report.

CODE VALUE	INCOME TYPE NAME	DESCRIPTION		METHOD
301	Accommodation benefit	<p>A fringe benefit established by the employer, providing the employee with an apartment the employer owns or possesses based on a lease relationship related to the employment, or as a benefit included in the pay.</p> <p>An accommodation benefit can be reported separately, but the received benefit must be reported, as at least a total sum, using the Other fringe benefit income type. In such a case, Type of benefit additional data related to the Other fringe benefit income type must be used to report that the income reported with the Other fringe benefit income type includes an accommodation benefit.</p> <p>If the benefit is reported separately, it should not be added to the income reported using the Other fringe benefit income type.</p> <p>The amount of the accommodation benefit must be reported in full, even when the employee has paid a reimbursement for the benefit to the employer equalling the monetary value of the accommodation benefit, with no taxable benefit remaining.</p> <p>Tax is withheld and social insurance contributions are paid from the accommodation benefit.</p>	V	1 and 2
302	Interest benefit for a housing loan	<p>A taxable personnel benefit established when the employer collects annual interest from a housing loan it has granted to an employee that is lower than the reference interest rate commonly used in the market.</p> <p>Interest benefit for a housing loan is subject to withholding but not to social insurance contributions.</p>	M	1 and 2
303	Meal allowance	<p>Tax-exempt compensation of meal expenses that are due to a business trip.</p> <p>The meal allowance can be paid exempt from tax, if the</p>	V	1 and 2



		<p>employee does not have the opportunity to have a meal at their normal eating-place during their lunch break and the meal has not been arranged, for example, as a meal that forms part of the course package paid for by the employer. A tax-exempt meal allowance cannot be paid together with a tax-exempt daily allowance for the same business trip.</p> <p>The decisions issued annually by the Tax Administration on tax-exempt allowances for business travel lay down the grounds for meal allowances and their tax-exempt maximum amounts.</p> <p>Report only the amounts of tax-exempt meal allowances here. If the paid allowance exceeds the maximum amounts defined in the decision by the Tax Administration, or is paid in deviation from the grounds laid down in the decision, the payment should be reported as wages subject to social insurance contributions.</p> <p>A meal allowance can be reported separately, but the received allowance must be reported as at least a total sum, using the Daily allowance income type. In such a case, the payer must also use the Type of other reimbursement or benefit additional data related to the income type to report that the allowance reported with the Daily allowance income type includes a meal allowance.</p> <p>If the meal allowance is reported separately, it should not be added to the amounts reported using the Daily allowance income type.</p> <p>No tax is withheld or social insurance contributions are paid from a tax-exempt meal allowance.</p>		
304	Car benefit	<p>A fringe benefit established by the employer, providing the employee or their family with a car that the employer owns or possesses and allowing its private use.</p> <p>The car benefit must be reported even if the employee has paid the employer compensation for the fringe benefit equal to or exceeding the monetary value of the fringe benefit, with no remaining amount to be added to the wages. The collected amount is reported separately using the Compensation collected for car benefit itemisation type.</p> <p>Tax is withheld and social insurance contributions are paid from the car benefit.</p>	M	1 and 2



308	Compensation for membership of a governing body	<p>Compensation for acting in a position of trust, paid based on being a member of the company's board of directors or an equivalent governing body.</p> <p>If the recipient of compensation paid for membership of a governing body is not in an employment relationship, the payment of earnings-related pension insurance contributions from such compensation is voluntary in the private sector. However, in the public sector, compensation paid for membership of a governing body is subject to social insurance contributions. If, based on the compensation, the employee's earnings-related pension contribution does not have to be paid according to employment pension legislation, the employer's health insurance contribution and the employee's daily allowance contribution are not paid from the compensation, even if an earnings-related pension insurance contribution was paid voluntarily. This compensation is subject to the accident and occupational disease insurance contribution, if it is paid to a person in an employment relationship.</p> <p>Tax is withheld from compensation paid for membership of a governing body.</p> <p>By default, this income type is compensation paid for membership of a governing body, where such compensation is not subject to social insurance contributions. In sectors other than the public sector, the essential factor with regard to the contribution obligation is whether the compensation was paid in an employment relationship.</p> <p>If the recipient of the compensation is in an employment relationship and the compensation is subject to a social insurance contribution, the payer must use the separate Type of insurance information entry to report that the income is subject to the specified insurance contribution. See the instructions Reporting data to the Incomes Register: insurance-related data.</p> <p>If a person is paid compensation for membership of a governing body, the person can also be paid tax-exempt allowances for business travel based on the expenses incurred from a business trip, if the other prerequisites of tax-exempt allowances are fulfilled.</p>	M	1 and 2
309	Share of reserve and surplus drawn from personnel fund (taxable 80%)	<p>A fund unit paid to an employee from a personnel fund. Funds allocated to personnel funds are divided into items withdrawable as fund units and items withdrawable in cash.</p>	M	1 and 2



		<p>20% of a fund unit withdrawn from a personnel fund is tax-exempt, and tax is withheld from the 80% share of taxable income. For taxation purposes, surplus withdrawn from a personnel fund is treated in the same way as a fund unit withdrawn from a personnel fund. See the Tax Administration's instructions Taxation of income from a personnel fund (A69/200/2014).</p> <p>This income type is used to report only the taxable share.</p> <p>Tax is withheld, but social insurance payments are not paid from a withdrawn fund unit. However, social insurance contributions are paid from a fund unit withdrawn for a person in cash rather than paying it into the personnel fund, i.e., the employer does not pay the amount into the fund but directly to a member.</p> <p>Only items withdrawn from a fund as fund units are reported in this section. If the payment was withdrawn in cash, it is reported as regular wages.</p>		
310	Monetary gift for employees	<p>A gift received from the employer as money or a comparable payment.</p> <p>A monetary gift is considered to be taxable income from which tax must be withheld but which is not subject to social insurance contributions, if the monetary gift was given due to an anniversary concerning the employee.</p> <p>If the monetary gift was given for a reason other than such an anniversary, social insurance contributions must be paid based on the gift.</p> <p>By default, this income type is subject to social insurance contributions.</p> <p>If the monetary gift is not subject to social insurance contributions, the payer should report the insurance details separately using the Type of insurance information data group. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>	M	1 and 2
311	Kilometre allowance (tax-exempt)	<p>A kilometre allowance fulfilling the requirements set for tax exemption, paid to a person for their use of a vehicle they own or possess.</p> <p>Tax-exempt kilometre allowance can be paid to persons who are in an employment relationship and to persons who are not in an employment relationship but who are paid wages in accordance with tax legislation, for example as meeting fees.</p>	M	1 and 2



		<p>In certain cases, the kilometre allowance paid for the use of a private car can be increased. The grounds for the increase are laid down in section 9(1) of the Tax Administration's decision on expenses. This income type is used to report the total amount of allowances paid, including the increases.</p> <p>If the kilometre allowance has been paid against the criteria prescribed by law or set by a decision of the Tax Administration, no part of it is tax-exempt.</p> <p>If the kilometre allowance has been paid in accordance with a decision by the Tax Administration, but in a larger amount than specified as tax-exempt in the decision, some of the allowance is taxable and some is tax-exempt. Taxable kilometre allowances are reported separately using their own income type or the income types for wages.</p> <p>Compensation paid to an income earner for travel expenses based on a certificate (e.g. a train ticket) issued by a transport operator is tax-exempt, and is not reported.</p> <p>Report only the amounts of tax-exempt kilometre allowances here. No tax is withheld or social insurance contributions are paid from these amounts.</p> <p>Reimbursement of travel expenses between residence and place of work in the construction sector</p> <p>According to the collective agreement of the construction sector, daily travel expenses between residence and place of work are reimbursed according to a special table, not as kilometre allowances set by a decision of the Tax Administration. However, the reimbursement paid according to the collective agreement is lower than the kilometre allowances set by the decision of the Tax Administration, so the reimbursement is tax-exempt. The number of kilometres does not need to be reported in connection with travel expense reimbursements in the construction sector.</p>		
312	Treatment fee for municipal veterinarian	<p>The monetary amount of a calculated treatment fee confirmed annually by the municipality employing the veterinarian, used as the grounds for the determination of earnings-related pension, unemployment, and accident and occupational disease insurance contributions. The treatment fee for a municipal veterinarian is calculated income annually confirmed by a municipal body to the veterinarian and used as the basis of the pension. The employer's health insurance contribution is based on the actual income from the wages received by the</p>	M	1 and 2



		<p>veterinarian.</p> <p>Pension security is covered by the confirmed treatment fee to the extent that the veterinarian's total wages are based on fees received from the owners of animals.</p> <p>The municipal veterinarian's actual official salary is not included in the calculated income.</p> <p>The treatment fees for a municipal veterinarian must be reported each pay period in connection with the payment of the wages for the position. Data on the wages and the fees are submitted on separate reports, because the grounds for employment registration are not the same. On one report, the imputed amount may not exceed 1/12 of the veterinarian's reporting-year-specific maximum amount of fees. The total amount of treatment fees for a calendar year may not exceed the maximum amount of the fee confirmed for the veterinarian by the employer. Because this is an imputed fee reported on a different report than the wages for the position, the employee contributions collected from said income and the taxes withheld from said income are reported in connection with the wages for the position.</p> <p>The municipal veterinarian's calculated treatment fee and the actual treatment fee paid by users of the veterinarian's services are two different concepts. No pension insurance contributions are collected from the treatment fees paid by users of the veterinarian's services.</p>		
313	Compensation for use, earned income	<p>Compensation paid for the assignation or right to use a copyright, an industrial property right, or information on industrial, commercial or scientific experience.</p> <p>Compensation for use can be paid to recipients regardless of whether or not they are registered in the prepayment register. Compensation for use is taxable income, and tax is withheld from this if the recipient is not registered in the prepayment register.</p> <p>All compensation for use from which tax has been withheld must be reported using this income type. Compensation for use paid to natural persons must be reported, even if tax has not been withheld from it. Compensation for use paid to natural persons registered in the prepayment register must also be reported.</p> <p>This income type is also used to report the compensation for use paid to a consortium, organisation or joint venture.</p> <p>This income type is also used to report royalties paid to</p>	M	1 and 2



		<p>a non-resident taxpayer. If the royalty, i.e. compensation for use, was paid to a natural person who is a non-resident taxpayer, the data must be reported to the Incomes Register even if the income earner is registered in the prepayment register and no tax at source was collected from the payment. If no tax at source is collected from a royalty, the payer must enter the amount of tax at source as EUR 0.</p> <p>No social insurance contributions are paid on compensation for use.</p>		
314	Compensation for use, capital income	<p>Compensation paid for the assignation or right to use a copyright, an industrial property right, or information on industrial, commercial or scientific experience.</p> <p>If a copyright has been transferred as an inheritance or through a last will and testament, or acquired for a payment, compensation received from its use is deemed capital income for the person, in the form of income received from Finland, regardless of the prepayment register entry.</p> <p>All compensation for use from which tax has been withheld is reported using this income type. Compensation for use paid to natural persons must be reported, even if tax has not been withheld from it. Compensation for use paid to natural persons registered in the prepayment register must also be reported.</p> <p>No social insurance contributions are paid on compensation for use.</p>	M	1 and 2
315	Other taxable benefit for employees	<p>A non-monetary taxable benefit <i>collectively</i> granted by the employer to personnel. A benefit granted for voluntary exercise and culture exceeding the statutory maximum amount of EUR 400 is considered taxable benefit, for example.</p> <p>If the benefit has been granted collectively to all personnel, it is not subject to social insurance contributions. By default, for this income type the benefit is not subject to social insurance contributions.</p> <p>If the benefit has only been granted to some personnel, it is taxable in its entirety and subject to social insurance contributions. The payer then reports the insurance details using the separate Type of insurance information data group. See the instructions Reporting data to the Incomes Register: insurance-related data.</p> <p>This income type is also used in a situation where the</p>	M	1 and 2



		<p>employer pays a daily allowance to the employee on more lenient grounds than those specified in the decision by the Tax Administration. In this case, the Type of insurance information entry can be used to specify that the employer is paying a daily allowance to the employee, based on a collective agreement on more lenient grounds than those specified in the decision by the Tax Administration; in which case the income is not subject to earnings-related pension, unemployment or accident and occupational disease insurance contributions. However, the income is subject to a health insurance contribution.</p> <p>This income type is also used to report a compensation paid for additional days off, supplementing an annual holiday. The compensation paid for additional days off is not subject to earnings-related pension, unemployment or accident and occupational disease insurance contributions, but it is subject to a health insurance contribution.</p>		
316	Other taxable income deemed earned income	<p>This income type is used to report the total amount of other payments constituting taxable earned income. This income type is used to report taxable occasional remunerations and rewards when the recipient is not in an employment relationship with the payer and the payment is not compensation for work. These include, for example, a competition prize not based on an employment relationship, a benefit granted to a member of a customer company's personnel or otherwise based on a customer relationship (e.g. a trip, gift voucher or object), a finder's fee, a so-called vigilance fee paid by a bank, a prize from an art competition, and travel compensation paid by a municipality to its residents. In the case of a competition prize received for sports, the income is reported using income type: Non-wage compensation for work. Additionally, report Athlete as the type of additional income earner data if the recipient of the prize is not in an employment relationship.</p> <p>Other taxable income deemed as earned income is subject to withholding but not to social insurance contributions. From the perspective of reporting, it does not matter whether or not tax could be withheld from the income.</p> <p>Taxes need not be withheld from competition prizes if they cannot be deemed to be wages, non-wage compensation</p>	M	1 and 2



		for work or compensation for use referred to in the tax pre-payment act (ennakkoperintälaki 1118/1996) or athlete's fee.		
317	Other fringe benefit	<p>This income type is used to report non-monetary taxable benefits granted by the employer, such as the total amount of accommodation, telephone and meal benefits, unless these benefits have not been itemised in their own income types using complementary income types. Other benefits reported using this income type include garage, motorcycle and boat benefit, life and pension insurance premiums deemed as pay, benefit from a non-personalised gift voucher, and fringe benefits received by a person working as a seafarer.</p> <p>If reimbursement for the benefit is collected from the income earner, the value of the fringe benefit is reported in full using this income type before the reimbursement collected is deducted. This means that the amount of a fringe benefit must be reported in full, even when the employee has paid or the employer otherwise collected a reimbursement for the fringe benefit equalling the monetary value of the fringe benefit, with no taxable benefit remaining. The reimbursement collected for a fringe benefit reduces the amount of taxable income and the amount of earnings from work on which the social insurance contributions are based.</p> <p>Fringe benefits included in the paid amount must be reported in connection with the Other fringe benefit income type. Select from the following alternatives: accommodation benefit, telephone benefit, meal benefit, other benefits.</p> <p>A meal benefit must be reported with its own income type if the employer collects a reimbursement for the meal benefit from the employee matching its taxable value. In such a case, the meal benefit is not reported using the Other fringe benefit income type.</p> <p>The share of an employer-subsidised commuter ticket deemed as pay is reported using its own income type, and is not added to the benefits of the Other fringe benefit income type. Correspondingly, a car benefit must be reported separately and is not added to the income of the Other fringe benefit income type.</p> <p>If an accommodation benefit, a telephone benefit or a meal benefit is reported separately using their own income types, such benefits are not added to the income reported using the Other fringe benefit income type.</p> <p>If the taxable value has not been separately confirmed</p>	M	1 and 2



		<p>in a decision issued by the Tax Administration, the value of the fringe benefit is its fair value. The benefit must be reported, even if the employee is not paid monetary wages at all, or the monetary wages are not sufficient for the payment of withholding tax in full.</p> <p>Fringe benefits are subject to withholding and to social insurance contributions. If tax could not be withheld from the benefit due to the small amount of monetary wages, withholding is not reported if the payer has not actually withheld the tax.</p> <p>If, exceptionally, the fringe benefit is not subject to the above-mentioned contributions, the payer reports the insurance details using the separate Type of insurance information data group. This situation occurs, for example, when the employer has paid an employee's pension or unemployment insurance contributions on the employee's behalf, in which case a fringe benefit is established for the income earner with regard to the contributions paid by the employer. However, the income is not deemed income from work on which the pension and unemployment insurance contributions are based. Even then, the benefit is subject to a health insurance contribution. For more information about Insurance information, see Reporting data to the Incomes Register: insurance-related data.</p> <p>If the employer has paid the employee contributions on behalf of the employee, and the income has been reported on an earnings payment report as a fringe benefit using the Other fringe benefit income type, the payer can report the employee contributions it paid using income types Employee's earnings-related pension insurance contribution and Employee's unemployment insurance contribution, and the payment is taken into account as a deduction in the employee's taxation.</p>		
319	Kinship carer's fee	<p>Fee paid by the municipality to a kinship carer for arranging treatment and care for an elderly, disabled or ill person at home.</p> <p>The kinship carer's fee is based on a commissioning contract between the municipality and the kinship carer, and its amount is determined by how binding and demanding the care is. A kinship carer who has made a kinship care agreement with a municipality must always be insured in accordance with the public sector pensions act (julkisten alojen eläkelaki 81/2016).</p>	M	1 and 2



		<p>The kinship carer's fee is handled as non-wage compensation for work from which tax is withheld if the recipient of the fee is not registered in the prepayment register. The employee's pension insurance contributions collected from the kinship carer are also reported using income type Employee's pension insurance contribution (413).</p> <p>A kinship carer's fee must always be reported, also when the payment recipient is registered in the prepayment register. In these situations, the payer does not report the collected employee's earnings-related pension insurance contribution to the Incomes Register, but the earnings-related pension provider's company ID and pension policy number must be entered into the earnings payment report.</p> <p>An earnings-related pension insurance contribution is paid from the kinship carer's fee, but other social insurance contributions are not. However, the municipality must insure the carer for accidents during such work, under the special law applied.</p>		
320	Stock options and grants	<p>Remuneration paid in shares of the employer company or, instead of the agreed remuneration, an amount paid in euros that equals the value of the shares.</p> <p>Tax is withheld from the remuneration, but no social insurance contributions are paid, if the employee has the possibility, based on an incentive system, to receive the employer company's listed shares (or those of another company in the same group, or a company in some other equivalent financial consortium) and the value of the benefit depends on the development of the value of the shares in question over a period of more than one year in length after the remuneration has been promised. Otherwise, the remuneration is income subject to social insurance contributions.</p> <p>This income type is used to report both the amount granted as shares and the amount paid in money. If part of the stock options and grants is paid in money, the share of the stock options and grants that was not paid in money is reported as a separate amount, with the additional information "Payment other than money – Yes".</p> <p>By default, this income type is subject to the pension insurance contribution but not to other social insurance contributions.</p>	M	1 and 2



		<p>If the remuneration in stock is subject to social insurance contributions or not subject to the pension insurance contribution, the payer reports the insurance information using the separate Type of insurance information data group. See the instructions Reporting data to the Incomes Register: insurance-related data.</p>		
321	<p>Wages paid by substitute payer: employer pays for employer's social insurance contributions (earnings-related pension, health, unemployment, and accident and occupational disease insurance contributions)</p>	<p>The actual employer reports the total wages on which social insurance contributions are based, which the substitute payer has paid and for which the substitute payer has withheld tax.</p> <p>For taxation purposes, the income does not count as income for the income earner on the basis of data provided by the actual employer; such data is required income-earner specifically, because the person accrues pension based on it.</p> <p>This income type is also used when the actual employer pays the employer's social insurance contributions, based on wages paid as wage security.</p> <p>Although the substitute payer has paid the wages to the income earner, the actual employer is responsible for paying the employer's social insurance contributions. For this reason, the actual employer must report the wages paid by the substitute payer income earner specifically, using the so-called info income types specifically intended for situations involving a substitute payer.</p> <p>For its part, the substitute payer reports the information to the Incomes Register using other income types and the "Substitute payer – Yes" entry. Tax on the income is levied from the income earner, based on the information provided by the substitute payer. The contributions collected from the employee are levied and paid based on the wages paid by the substitute payer. As a rule, the substitute payer does not pay the employer's social insurance contributions; the actual employer is responsible for paying them.</p> <p>Parties that can be substitute payers include enforcement agencies, Kela, municipalities, Centres for Economic Development, Transport and the Environment, bankruptcy estates and guarantors.</p> <p>The reporting procedure is described in more detail in the instructions Reporting data to the Incomes Register: payments made by substitute payer.</p> <p>This income type is subject to employer's social insurance contributions.</p>	M	1 and 2



322	Wages paid by substitute payer: employer pays for employer's earnings-related pension insurance contribution	<p>The actual employer reports the total wages on which pension insurance contributions are based and that the substitute payer has paid and for which the substitute payer has withheld tax, but the employer is responsible for the related pension insurance contribution.</p> <p>This income type is also used when the actual employer pays the employer's pension insurance contribution based on wages paid as wage security.</p> <p>Parties that can be substitute payers include enforcement agencies, Kela, municipalities, Centres for Economic Development, Transport and the Environment, bankruptcy estates and guarantors.</p> <p>This income type is used only when the paid income has been subject solely to the pension insurance contribution.</p>	M	1 and 2
323	Wages paid by substitute payer: employer pays for employer's unemployment insurance contribution	<p>The actual employer reports the total wages on which unemployment insurance contributions are based, which the substitute payer has paid and for which the substitute payer has withheld tax, but the employer is responsible for the unemployment insurance contribution.</p> <p>This income type is also used when the actual employer pays the employer's unemployment insurance contribution based on wages paid as wage security.</p> <p>Parties that can be substitute payers include enforcement agencies, Kela, municipalities, Centres for Economic Development, Transport and the Environment, bankruptcy estates and guarantors.</p> <p>This income type is used only when the paid income has been subject solely to the unemployment insurance contribution.</p>	M	1 and 2
324	Wages paid by substitute payer, employer pays for accident and occupational disease insurance contribution	<p>The actual employer reports the total wages on which accident and occupational disease insurance contributions are based, which the substitute payer has paid and for which the substitute payer has withheld tax, but the employer is responsible for the accident and occupational disease insurance contribution.</p> <p>This income type is also used when the actual employer pays the accident and occupational disease insurance contribution based on wages paid as wage security.</p>	M	1 and 2



		<p>Parties that can be substitute payers include enforcement agencies, Kela, municipalities, Centres for Economic Development, Transport and the Environment, bankruptcy estates and guarantors.</p> <p>This income type is used only when the paid income has been subject solely to the accident and occupational disease insurance contribution.</p>		
325	Wages paid by substitute payer, employer pays for employer's health insurance contribution	<p>The actual employer reports the total wages on which health insurance contributions are based and that the substitute payer has paid and for which the substitute payer has withheld tax, but the employer is responsible for the employer's health insurance contribution.</p> <p>This income type is also used when the actual employer pays the employer's health insurance contribution based on wages paid as wage security.</p> <p>Parties that can be substitute payers include enforcement agencies, Kela, municipalities, Centres for Economic Development, Transport and the Environment, bankruptcy estates and guarantors.</p> <p>This income type is used only when the paid income has been subject solely to the health insurance contribution.</p>	M	1 and 2
326	Compensation for employee invention	<p>Compensation paid for an employee invention.</p> <p>If the duties of the employee who receives the fee do not include inventions, compensation for the employee invention is handled as compensation for use, i.e., no social insurance contributions are paid from the compensation. In such a situation, tax is withheld from the compensation for the employee invention, unless the recipient of the compensation is registered in the prepayment register.</p> <p>If the income earner's duties agreed in the employment contract include inventions, the compensation is treated as wages, i.e., in addition to tax being withheld, in addition to which social insurance contributions are paid from the compensation.</p> <p>By default, this income type is not subject to social insurance contributions.</p> <p>If compensation for an employee invention is subject to a social insurance contribution, the payer must use the separate Type of insurance information entry to report that the income is subject to the specified insurance contribution. See the instructions Reporting data to the</p>	V	1 and 2



		Incomes Register: insurance-related data.		
327	Reimbursement of private caretaker's expenses	<p>Taxable reimbursement of expenses paid to a private caretaker for expenses incurred from the care and up-keep of foster home care patients.</p> <p>Reimbursement of a private caretaker's expenses is based on a commissioning contract between the municipality and the private caretaker.</p> <p>Such reimbursement covers items such as meal, accommodation and health care expenses, as well as start-up expenses.</p> <p>The reimbursement of a private caretaker's expenses, paid together with the private caretaker's fee, is handled as taxable compensation for work. In taxation, an amount equal to the reported reimbursement of expenses is deducted without a separate request. If the income earner has incurred more expenses than those reimbursed, in its taxation it must include an account of all expenses incurred from foster home care.</p> <p>Tax is withheld but social insurance payments are not paid from the reimbursements of expenses.</p> <p><i>Reimbursement of travel expenses</i> paid separately against a travel invoice is not reported using this income type. The reimbursement of travel expenses is added to the amount of the fee and reported using income type Private caretaker's fee.</p>	M	1 and 2
329	Reimbursement of family day care provider's expenses	<p>Taxable reimbursement of expenses, paid to a family day care provider to cover the direct expenses incurred from childminding.</p> <p>Reimbursed expenses include, for example, expenses incurred from meals. Each year, the Association of Finnish Local and Regional Authorities issues a recommendation on the reimbursement of family day care providers' expenses to municipalities.</p> <p>Tax is not withheld and neither are social insurance payments paid from the reimbursements of expenses.</p>	M	1 and 2
328	Private caretaker's fee	<p>A fee paid by the municipality to a private caretaker for arranging treatment, upbringing or other around-the-clock care in the caretaker's private home or in the home of the person cared for.</p> <p>The private caretaker's fee is based on a commissioning contract between the municipality and the private</p>	M	1 and 2



		<p>caretaker. An earnings-related pension insurance contribution is paid from the private caretaker's fee, but no other social insurance contributions are paid. However, the municipality must insure the carer for accidents in such work. Provisions on a private caretaker's accident insurance are laid down in the separate legislation on private caretakers.</p> <p>This income type is used to report a fee paid to a commissioned private caretaker if the person is not registered in the prepayment register. The employee's earnings-related pension insurance contributions collected from the private caretaker (payer subject to the public sector pensions act (julkisten alojen eläkelaki 81/2016)) are then reported using income type Employee's pension insurance contribution.</p> <p>The fee is also reported if the payer is an employer covered by the public sector pensions act (julkisten alojen eläkelaki 81/2016) and the income earner is a natural person who is registered in the prepayment register but does not have an insurance under the self-employed persons' pensions act (yrittäjän eläkelaki 1272/2006). In these situations, the payer does not report the collected employee's earnings-related pension insurance contribution to the Incomes Register, but the earnings-related pension provider's company ID and pension policy number must be entered into the report.</p> <p>If, in connection with the private caretaker's fee, a payer covered by the public sector pensions act separately pays <i>reimbursements of travel expenses</i> against a travel invoice to a natural person who does not have an insurance under the self-employed persons' pensions act, the payer must report the reimbursement of travel expenses on a separate earnings payment report using income type Private caretaker's fee if the recipient is not registered in the prepayment register. In such a case, the earnings-related pension provider's company ID and pension policy number are not entered on the report containing the reimbursements of expenses. The share of reimbursement of expenses does not need to be reported if the recipient is registered in the prepayment register.</p> <p>The private caretaker's fee is handled as non-wage compensation for work from which tax is withheld, if the recipient of the fee is not registered in the prepayment register.</p>		
359	Unjust enrichment	Mistakenly paid payment or benefit to which the income	M	1 and 2



		<p>earner is not entitled. An unjust enrichment occurs when, for example, a payment has been made on incorrect grounds, to the wrong person, or in an incorrect amount.</p> <p>The separate Unjust enrichment income type is used only when the mistakenly made payment is detected before the first report is submitted, and the income has not previously been reported to the Incomes Register as other income. If the unjust enrichment was previously incorrectly reported to the Incomes Register as some other income, for example by using the Total wages income type, the data must be corrected using the Total wages income type and the separate Unjust enrichment data provided in connection with it.</p> <p>No social insurance contributions are paid from an unjust enrichment.</p>		
330	Telephone benefit	<p>A fringe benefit, established by the employer's payment of the employer's telephone subscription expenses incurred during private use outside working hours.</p> <p>A telephone benefit can be reported separately, but the received benefit must at least be reported as a total sum, using the Other fringe benefit income type. In such a case, the Type of benefit additional data related to the Other fringe benefit income type must be used to report that the income reported using the Other fringe benefit includes a telephone benefit.</p> <p>If the telephone benefit is reported separately, it should not be added to the income reported using the Other fringe benefit income type.</p> <p>The amount of the telephone benefit must be reported in full, even when the employee has paid a reimbursement for the benefit to the employer equalling the monetary value of the telephone benefit, with no taxable benefit remaining.</p> <p>Tax is withheld and social insurance contributions paid from the telephone benefit.</p>	V	1 and 2
331	Daily allowance	<p>A daily allowance is a tax-exempt reimbursement of a reasonable increase in meal and other living costs incurred by the recipient due to a business trip.</p> <p>Enter the total amount of tax-exempt daily allowances and meal allowances here. Income reported using the Daily allowance income type can be</p>	M	1 and 2



		<ul style="list-style-type: none"> • meal allowance, • domestic full daily allowance, • domestic partial daily allowance, • international daily allowance, or • tax-exempt reimbursements of expenses related to work abroad. <p>If reimbursements of expenses related to work abroad have been entered as the type of the daily allowance, enter the following tax-exempt benefits received by the income earner related to work abroad in this section:</p> <ul style="list-style-type: none"> • the moving and travel costs of the taxpayer and their family member to the country of work and back; • regular private household staff abroad, paid for by the employer; and • primary and secondary education for children, paid for by the employer. <p>This income type is not used to report night travel allowance or border-crossing allowance. These items are not reported to the Incomes Register.</p> <p>Enter only the total amount of tax-exempt daily allowances and meal allowances here. Each year, the Tax Administration will confirm the tax-exempt amounts in the decision it issues on tax-exempt reimbursements of travel expenses.</p> <p>Meal allowances are entered here only if their own, separate Meal allowance income type was not used for their reporting.</p> <p>If the daily allowances or other allowances mentioned here have been paid on more lenient grounds than the decision by the Tax Administration, the compensation is reported using the Total wages or Other compensation income type, in which case it is also subject to social insurance contributions.</p> <p>If compensation paid on more lenient grounds has been agreed in a collective agreement, it is not subject to pension, unemployment or accident and occupational disease insurance contributions. In such cases, the payer reports the income using the Total wages income type or Other taxable benefit for employees, while also reporting what part of the payment is subject to earnings-related pension, unemployment, accident, and occupational disease insurance contributions.</p>	
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		<p>Additional information on the different daily allowances the total amount includes must be provided in connection with the income type.</p> <p>Daily allowances are not subject to social insurance contributions.</p>		
332	Capital income payment	<p>A payment that is capital income for its recipient. For example, interest paid to an employer or a shareholder, such as interest on late payment of wages receivable or a guarantee commission that is capital income.</p> <p>Payments are subject to withholding but not to social insurance contributions. Late-payment interest has been exempted from withholding by the Finnish Tax Administration's decision (A136/200/2016).</p>	M	1 and 2
334	Meal benefit	<p>A fringe benefit established when an employer offers meals to its employee. An employer can subsidise meal costs with a meal ticket or other, similar targeted means of payment, or by arranging catering.</p> <p>The taxable value of a meal benefit is determined as an annually confirmed value in accordance with the decision by the Tax Administration.</p> <p>A meal benefit can be reported separately, but the received benefit must be reported as at least a total sum using the Other fringe benefit income type. In such a case, the Type of benefit additional data related to the Other fringe benefit income type must be used to report that the income reported using the Other fringe benefit includes a meal benefit.</p> <p>If the meal benefit is reported separately, it should not be added to the income reported using the Other fringe benefit income type.</p> <p>If the employer collects a reimbursement corresponding to the taxable value of the meal benefit from the employee, the employer must report the following information to the Incomes Register: Reimbursement for a meal benefit corresponds to taxable value: Yes. In this case, the payer does not need to report the amount of the meal benefit or, if they wish, they can report the taxable value of the meal benefit as the amount. However, the recommendation is that the data item Amount is not reported if a reimbursement equalling the benefit's taxable value has been collected for the meal benefit.</p>	V	1 and 2



		<p>If a reimbursement equalling the taxable value of the meal benefit is collected from the employee, the Other fringe benefit income type must not be used.</p> <p>Tax is withheld and social insurance contributions are paid from a meal benefit.</p>		
335	Reimbursement of costs, paid to conciliator	<p>Taxable reimbursement of costs paid to a voluntary conciliator to cover the costs incurred from the conciliation process.</p> <p>Conciliator's reimbursement of costs is taxable earned income that is taken into consideration as an equal-amount deduction in the recipient's taxation, without a separate account being made by the recipient.</p> <p>No tax is withheld or social insurance contributions are paid from the reimbursement of expenses.</p>	M	1 and 2
336	Non-wage compensation for work	<p>Remuneration paid or agreed to be paid for work performed in a non-employment relationship, from which tax must be withheld if the recipient is not registered in the prepayment register, but from which social insurance contributions are not paid as a rule.</p> <p>Non-wage compensation for work can be paid to recipients regardless of whether or not they are registered in the prepayment register. Non-wage compensation for work is taxable income, and tax is withheld from it if the recipient is not registered in the prepayment register. Compensation paid to a support family is an example of non-wage compensation for work. Non-wage compensation for work is commonly called a fee.</p> <p>Non-wage compensation for work must be reported if the income earner is not registered in the prepayment register. Because a report must be submitted always when the income earner is not registered in the prepayment register, the recipient may also be other than a natural person, such as an association, limited liability company, general partnership or limited partnership.</p> <p>A report must also be submitted for the non-wage compensation for work when the payer is covered by the public sector pensions act (julkisten alojen eläkelaki 81/2016), and the income earner is a natural person who is registered in the prepayment register but does not have insurance under the self-employed persons' pensions act (yrittäjän eläkelaki 1272/2006).</p> <p>Non-wage compensation for work paid to a company with a limited tax liability must be reported, if the payer</p>	M	1 and 2



has collected tax at source from the company. Non-wage compensation for work paid to a natural person with a limited tax liability must always be reported regardless of whether or not tax at source has been collected. For example, a fee paid to an athlete or artist who is a non-resident taxpayer must always be reported.

As a rule, no social insurance contributions are paid from non-wage compensation for work. An employer subject to public sector pension legislation pays earnings-related pension insurance contributions based on a private person's commissioning contract, if the commissioned person is not self-employed, i.e., does not have insurance in accordance with the Self-Employed Persons' Pensions Act. Furthermore, the income earner pays the employee's daily allowance contribution of health insurance from non-wage compensation for work.

By default, this income type is not subject to social insurance contributions.

Reimbursement of expenses related to non-wage compensation for work

If the fee or other remuneration has been paid as non-wage compensation for work, the recipient cannot be paid reimbursements of expenses that would be included in tax-exempt expenses.

Reimbursements of expenses related to non-wage compensation for work are added to the amount of income as a lump sum with the other remuneration. Reimbursements of expenses paid in connection with non-wage compensation for work are not tax-exempt. If a taxable kilometre allowance is paid to a commissioned person or organisation, the allowance is reported as non-wage compensation for work, and the income type Kilometre allowance (taxable) may not be used.

If, in connection with the non-wage compensation for work, a payer covered by the public sector pensions act (julkisten alojen eläkelaki 81/2016) pays reimbursements of expenses to a natural person who does not have insurance under the self-employed persons' pensions act (yrittäjän eläkelaki 1272/2006), the payer must report the reimbursement of expenses in a separate earnings payment report using income type **Non-wage compensation for work** if the recipient is not



		<p>registered in the prepayment register. In such a case, the earnings-related pension provider's company ID and pension policy number are not entered on the report containing the reimbursements of expenses. The share of reimbursement of expenses does not need to be reported if the recipient is registered in the prepayment register.</p> <p>A recipient of non-wage compensation for work can request that travel expenses be deducted on the pre-completed tax return form. However, business operators must deduct travel expenses in their accounting.</p> <p>Before tax is withheld, reimbursements of expenses incurred from work cannot, in general, be deducted from non-wage compensation for work. The only exception is the reimbursement of travel expenses paid to natural persons, from which tax does not need to be withheld if the grounds and amounts of the travel expenses are in accordance with the tax-exempt allowances for business travel laid down in the annual decision issued by the Tax Administration. These allowances are not tax-exempt either, so they are reported in the total amount of the non-wage compensation for work.</p>		
337	Supplementary daily allowance paid by employer-specific health insurance fund	<p>Sick pay paid to the employee by a health insurance fund in accordance with the public insurance funds act (vakuutuskassalaki 1164/1992).</p> <p>Income paid by the health insurance fund corresponds to the sick pay paid by the employer and is thus subject to social insurance contributions. Such income is also subject to withholding.</p>	M	1 and 2
338	Pension paid by employer	<p>Pension paid by an employer to a former employee or their beneficiary on the basis of a previous employment relationship.</p> <p>Such income is subject to withholding. No social insurance contributions are paid from the pension paid by an employer.</p>	M	1 and 2
339	Dividends/profit surplus based on work effort (wages)	<p>Dividends paid to a shareholder as wages, the distribution basis of which is the work effort of the recipient of the dividends or of a person in their sphere of interest.</p> <p>Tax is withheld from dividends based on work effort. No earnings-related pension insurance, unemployment insurance or accident and occupational disease insurance contributions are paid from dividends paid to a</p>	M	1 and 2



		company shareholder, even if the dividend is considered to be wages for taxation purposes, based on special regulations on dividends relating to work effort. The employer's health insurance contribution is paid from dividends based on work effort, and the amount of the dividends acts as the basis of the employee's daily allowance contribution of health insurance.		
340	Dividends/profit surplus (wages) based on work effort (non-wage)	<p>Dividends paid to a shareholder as non-wage compensation for work, the distribution basis of which is the work effort of the recipient of the dividends or a person in their sphere of interest.</p> <p>A report must be submitted for dividends/profit surplus based on work effort taxed as non-wage compensation for work, even when the recipient is registered in the prepayment register.</p> <p>Tax is withheld from the dividends based on work effort (non-wage), unless the recipient is registered in the prepayment register. No social insurance contributions are paid from the payment. However, the income is subject to the employee's daily allowance contribution of health insurance.</p>	M	1 and 2
341	Employer-subsidised commuter ticket, tax-exempt share	<p>This income type is used to report the tax-exempt share of a personal public transport ticket paid for an employee by an employer.</p> <p>Part of the value of the employer-subsidised commuter ticket is tax-exempt and part is taxable. The taxable share of the employer-subsidised commuter ticket is a fringe benefit. A personal public transport ticket with a value of no more than EUR 300, provided by the employer to the employee for commuting between the employee's residence and place of work, is tax-exempt income. Furthermore, such a ticket is considered tax-exempt income for the amount exceeding EUR 750, up to EUR 3,400. A report must always be submitted for an employer-subsidised commuter ticket, including when there is no taxable benefit or deductible amount.</p> <p>Example: The employer has provided an employee with an employer-subsidised commuter ticket with a value of EUR 300. No fringe benefit is established.</p> <ul style="list-style-type: none"> EUR 300 is reported using the income type Employer-subsidised commuter ticket, tax exempt share 	M	1 and 2



		<p>If the income earner buys the ticket themselves, and the employer pays the price of the ticket or part of it to the employee, the entirety of the compensation paid by the employer is considered to be the employee's wages. In such a case, the price of the ticket paid to the employee is reported as wages only.</p> <p>In the case of employer-subsidised commuter tickets, the amounts of taxable and tax-exempt benefit are estimated on an annual level unlike with other fringe benefits, which are valued on a monthly level as a rule. If an employer-subsidised commuter ticket is granted once per year, for example at the start of the year, and a reimbursement is collected regularly throughout the entire year, the person would, in practice, incur a taxable benefit at the start of the year, as the payer has not yet had time to collect more than the first month's reimbursement for the benefit. So that the payer does not need to correct submitted reports in a situation described above, the payer can anticipate the situation in advance and divide the tax-exempt share over the entire year, reporting it monthly to the Incomes Register together with the collected reimbursement.</p> <p>Example: The employer gives an employer-subsidised commuter ticket worth EUR 1,800 at the beginning of the year. The employer collects EUR 100 per month for the ticket, in total EUR 1,200 per year). In practice, no share deemed to be wages would remain at the end of the year, but at the start of the year there would be, because the employer has not had time to collect the reimbursements from the employee.</p> <p>So that the payer does not need to correct the submitted reports as the collected amount increases, they can anticipate the situation in advance and divide the tax-exempt share over the entire year, reporting it monthly to the Incomes Register together with the collected reimbursement, as follows:</p> <ul style="list-style-type: none"> • 341 (tax-exempt share): 50.00 • 415 (collected reimbursement): 100.00 <p>If an employer-subsidised commuter ticket is given at the beginning of the year for the entire year and the employment relationship ends during the year, the payer must correct the previously submitted reports. In this case, only the share allocated to the employment period is an employer-subsidised commuter ticket benefit. The payer must enter the share of the ticket not based on an employment relationship as wages, unless a reimbursement is collected for the ticket from the income earner.</p> <p>No tax is withheld or social insurance contributions are paid from the tax-exempt share.</p>	
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<p>342</p>	<p>Employer-subsidised commuter ticket, taxable share</p>	<p>This income type is used to report the taxable share of a personal public transport ticket paid for an employee by an employer and deemed to be wages.</p> <p>Part of the value of the employer-subsidised commuter ticket is tax-exempt and part is taxable. The taxable share of the employer-subsidised commuter ticket is a fringe benefit. A personal public transport ticket with a value of no more than EUR 300, provided by the employer to the employee for commuting between the employee's residence and place of work, is tax-exempt income. Furthermore, such a ticket is considered tax-exempt income for the amount exceeding EUR 750, up to EUR 3,400. A report must always be submitted for an employer-subsidised commuter ticket, including when there is no taxable benefit.</p> <p>Employer-subsidised commuter ticket benefits must be reported as income for the pay period in which the benefit was handled in the payroll accounting for the employee. If a tax-exempt employer-subsidised commuter ticket benefit is not handled in the payroll system at all, the tax-exempt employer-subsidised commuter ticket benefit can be reported just once a year. However, the recommendation is that the benefit is reported in the report for the month in which it was given.</p> <p>The taxable and tax-exempt shares of an employer-subsidised commuter ticket must be itemised, because they affect the deductibility of the employee's travel expenses between home and work.</p> <p>The reporting of an employer-subsidised commuter ticket differs from other fringe benefits, because the payer must deduct the reimbursement collected from the employee from the share deemed to be wages. The share of the benefit value from which the employer has already deducted a reimbursement it has possibly collected from the income earner is reported as the share deemed to be wages.</p> <p>If the income earner buys the ticket themselves, and the employer pays the price of the ticket or part of it to the employee, the entirety of the compensation paid by the employer is considered to be the employee's wages. In such a case, the price of the ticket paid to the employee is reported as wages only.</p> <p>Example: The employer has provided an employee with an employer-subsidised commuter ticket with a value of EUR 800. The employer does not charge a fee for the ticket price from the em-</p>	<p>M</p>	<p>1 and 2</p>
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		<p>ployee. Because the employer-subsidised commuter ticket is taxable insofar as the value of the benefit exceeds EUR 300 but is below EUR 750, a taxable fringe benefit of EUR 450 is established. The employee receives EUR 350 of tax-exempt benefit.</p> <ul style="list-style-type: none"> • The taxable amount considered as wages, EUR 450, is reported using the income type Employer-subsidised commuter ticket, taxable share. • EUR 350 is reported using the income type Employer-subsidised commuter ticket, tax exempt share. <p>Example: The employer has provided an employee with an employer-subsidised commuter ticket with a value of EUR 5,000. The employer does not charge a fee for the ticket price from the employee. The amount of the taxable fringe benefit and wages is EUR 2,050. The employee receives EUR 2,950 of tax-exempt benefit.</p> <ul style="list-style-type: none"> • The amount of fringe benefit, EUR 2,050, is reported using the income type Employer-subsidised commuter ticket, taxable share. • The amount of tax-exempt benefit, EUR 2,950, is reported using the income type Employer-subsidised commuter ticket, tax exempt share. <p>The taxable share of an employer-subsidised commuter ticket is always reported using its own income type, and is not added to the benefits of the Other fringe benefit income type.</p> <p>The share regarded as wages is subject to withholding and social insurance contributions.</p>		
343	Employee stock option	<p>Remuneration given in the form of the employer company's stock option.</p> <p>Tax is withheld from the benefit received from the employee stock option.</p> <p>The employee stock option is subject to income taxation when the option is exercised. No social insurance contributions are collected from an employee stock option when it is exercised.</p>	M	1 and 2
361	Employee stock option, the subscription price of which is lower than market price at the time of disposal	<p>Compensation paid in the form of the employing company's stock option, the option subscription price collected from the employee is clearly lower than the market price at the time of disposal.</p> <p>The income is subject to earnings-related pension, unemployment, and accident and occupational disease insurance contributions.</p>	M	1 and 2



		<p>When the option right is disposed of, the employee stock option benefit is not subject to income taxation, and no employer's health insurance contribution is levied from it.</p> <p>When the stock option is exercised, the benefit is reported using the Employee stock option income type.</p>		
350	Wages transferred to athletes' special fund	<p>Transfer of income from sports to an athletes' special fund for the deferral of income. An athlete is entitled to transfer some of their income from sports to an athletes' special fund. Such funding is agreed between the athlete, employer and, possibly, the sponsor.</p> <p>Income from sports can comprise the athlete's wages or fees. This income type is used only to report the wages transferred to the fund. The transfer to the athletes' special fund is intended to secure the athlete's post-career livelihood.</p> <p>The employer's health insurance contribution is paid from the wages of the athlete that are transferred to the fund. The athlete does not pay tax for the income until the income is paid out from the fund. Tax is not withheld from the funded wages and the health insurance daily allowance contribution paid until the wages are paid to the athlete from the fund.</p> <p>The funding of income from sports does not affect the payment of the insurance premiums specified in the act on accident and pension provision for athletes (laki urheilijan tapaturma- ja eläketurvasta 276/2009).</p>	M	1 and 2
351	Wages paid from athletes' special fund	<p>Withdrawal of sports income from the athletes' special fund for the athlete. The fund withholds tax from the athlete's wages and fees withdrawn from the athletes' special fund when the athlete makes a withdrawal.</p> <p>Items withdrawn from the fund must be itemised into wages and fees, because they are subject to different deductions in taxation. This income type is used only to report wages paid from the fund. An athlete's fee paid from the fund is reported as non-wage compensation for work. Furthermore, "Athlete" is specified as the value for the Type of additional income earner data.</p> <p>Tax is withheld from the funded wages and the employee's health insurance daily allowance contribution is paid when wages are paid to the athlete from the fund. The employer's health insurance contribution is paid when the income is transferred to the athletes' special fund.</p>	M	1 and 2



352	Wages for insurance purposes	<p>Calculated wages that would have to be paid, if work corresponding to work performed abroad were to be performed in Finland. Wages for insurance purposes for work abroad is used as the basis of the determination of contributions and benefits in social insurance, instead of actual wages.</p> <p>Different actors have different rules on when wages for insurance purposes are used to determine contributions and benefits, and when actual wages paid are used instead.</p> <p>For more detailed instructions on this topic, see the application instructions of the Finnish Centre for Pensions: Wages for insurance purposes as earnings from work on which pension is based.</p> <p>By default, this income type is subject to social insurance contributions.</p> <p>If, exceptionally, the wages for insurance purposes are not subject to one or more social insurance contributions, the payer must report the insurance information using the separate Type of insurance information data item. See the instructions on Reporting data to the Incomes Register: insurance-related data</p>	M	1 and 2
353	Taxable reimbursement of expenses	<p>Taxable reimbursement of expenses means the taxable reimbursement of expenses incurred by a person in the performance of their work. This income type is used to report the total amount of taxable reimbursements of expenses that are not itemised using other income types.</p> <p>Use this income type to report only reimbursements of expenses directly incurred by the income earner in the performance of their work, when the employer has not included these reimbursements in the amount of wages when withholding taxes (section 15 of the tax prepayment act (ennakkoperintälaki 1118/1996)).</p> <p>This income type is also used to report the corresponding reimbursement of expenses paid to an athlete. Additionally, this income type is used to report the telephone expenses and other such taxable reimbursements of expenses paid to persons participating in unpaid volunteer work for a non-profit organisation or a public sector payer.</p> <p>The employer can reimburse the income earner for expenses directly incurred in the performance of work.</p>	M	1 and 2



		<p>Such expenses include expenses incurred in the acquisition of tools and materials, supplies and protective clothing. In the construction industry, for instance, a tool allowance based on a collective agreement is paid.</p> <p>The employer does not withhold tax or pay social insurance contributions from taxable reimbursements of expenses.</p> <p>However, reimbursements are taxable income for the income earner. The income earner must request the deduction of the actual expenses on their pre-completed tax return form.</p> <p>If an employee has acquired tools and work materials on behalf of the employer, their expenses are not reported if the employer has reimbursed the employee for them against a receipt.</p>		
354	Private day care allowance municipal supplement	<p>A municipality-specific part of private day care allowance. The municipality decides on the payment and amount of the municipal supplement.</p> <p>Kela and the municipality may agree on the payment of the municipal supplement via Kela. The private day care allowance municipal supplement is granted to the guardian of a child, but the allowance is paid to the nanny hired by the family or a private early childhood education provider, and tax is withheld from it in accordance with a decision by the Tax Administration.</p> <p>The municipality and Kela report the municipal supplement they have paid as a substitute payer, using this income type. The municipality and Kela do not pay social insurance contributions from the supplement when paying the private day care allowance municipal supplement.</p> <p>The family is responsible for employer obligations and social insurance contributions for a nanny in an employment relationship, including with regard to the municipal supplement. The family must report the municipal supplement received by a nanny in an employment relationship using the 'Wages paid by substitute payer' income type, from which the employer pays social insurance contributions. The family's employer contributions are determined based on the income type in question.</p>	M	1 and 2
355	Private day care allowance (wages)	Day care allowance paid to a nanny hired by a family or a private early childhood education provider, if a child is	M	1 and 2



		<p>being cared for who is under school age, is not being provided with early childhood education by the municipality, and for whom no municipal place in early childhood education has been reserved.</p> <p>Kela grants the private day care allowance to the guardian of the child, but the allowance is paid to the nanny hired by the family or a private early childhood education provider, and tax is withheld from it in accordance with a decision by the Tax Administration.</p> <p>As a substitute payer, Kela reports with the income type in question the information on the wages it has paid to the nanny in an employment relationship with the family. In the case of private day care allowance, Kela acts as a substitute payer and does not pay social insurance contributions from the private day care allowance.</p> <p>The family is responsible for the employer obligations and social insurance contributions for a nanny in an employment relationship, including with regard to the private day care allowance. The family must report the private day care allowance (wages) received by a nanny in an employment relationship using the 'Wages paid by substitute payer' income type, from which the employer pays social insurance contributions. The family's employer contributions are determined based on the income type in question.</p> <p>If the family pays other income to the nanny, any other payments made by the family to the income earner during the month in question may be declared using the same report that is used for reporting wages paid by a substitute payer.</p> <p>The reporting procedure is described in more detail in the instructions "Reporting data to the Incomes Register: Payments made by a substitute payer".</p>		
356	Private day care allowance (non-wage)	<p>Allowance paid to a nanny engaged by a family or a private early childhood education provider, if a child is being cared for who is under school age, is not being provided with early childhood education by the municipality, and for whom no municipal place in early childhood education has been reserved. Kela reports the income it has paid under the income type in question if the income earner is not registered in the prepayment register.</p> <p>Non-wage compensation for work is paid for work that is not performed in an employment relationship. Tax must be withheld from the compensation, if the recipient is not registered in the prepayment register.</p>	M	1 and 2



		No social insurance contributions are paid from the non-wage compensation for work. The income earner pays the employee's daily allowance contribution of health insurance from the non-wage compensation for work		
357	Kilometre allowance paid by non-profit organisation	<p>A kilometre allowance paid by a non-profit or public sector organisation to a person participating in voluntary work for no remuneration.</p> <p>As of 2019, this income type is also used when a public sector payer (such as the state, a municipality or a parish) pays kilometre allowances to a person participating in volunteer work.</p> <p>Travel for the benefit of and commissioned by a non-profit or public sector organisation is equivalent to business travel, even when the recipient of the allowance is not in an employment relationship with the payer or otherwise receives wages for the work to which the travel is related.</p> <p>This income type is only used to report the reimbursements paid to persons participating in volunteer work. If the tax-exempt reimbursements are connected to the wages paid by the organisation, they are reported using income-type Kilometre allowance (tax-exempt) (311).</p> <p>This income type is used to report only the tax-exempt kilometre allowances defined in section 71(3) of the income tax act (tuloverolaki 1535/1992). According to the related legal provision, the following is tax-exempt income from a reimbursement of travel expenses paid by a non-profit or public sector organisation:</p> <ul style="list-style-type: none"> reimbursement of travel expenses that can also be paid for a trip made from the taxpayer's residence. A maximum of EUR 3,000 per calendar year of the reimbursement of travel expenses using means other than public transport is tax-exempt. <p>This income type is used to report only the tax-exempt amounts. If a non-profit or public sector organisation pays more kilometre allowances than stipulated in section 71 (3) of the income tax act (tuloverolaki 1535/1992), the extraneous part is reported as non-wage compensation for work.</p> <p>In certain cases, the payer can increase the kilometre allowance paid for the use of a private car. The grounds for the increase are laid down in section 9(1)</p>	M	1 and 2



		<p>of the Tax Administration's decision on expenses. This income type is used to report the total amount of the payment, including the increases.</p> <p>Tax-exempt reimbursements of travel expenses can be paid to recipients of an athlete's or competition judge's fees based on the above-mentioned grounds and limitations, even if they also receive a separate fee as a non-wage compensation for work. The competition or event must be related to the activities of the non-profit organisation. The tax-exempt kilometre allowances paid are reported using income-type Kilometre allowance paid by non-profit organisation. The taxable amount exceeding the tax-exempt kilometre allowance is reported to the Incomes Register as non-wage compensation for work using income-type Non-wage compensation for work.</p> <p>No social insurance contributions are paid from the allowance.</p>		
358	Daily allowance paid by non-profit organisation	<p>A daily allowance for business travel paid by a non-profit or public sector organisation to a person participating in voluntary work for no remuneration.</p> <p>As of 2019, this income type is also used when a public sector payer (such as the state, a municipality or a parish) pays daily allowances to a person participating in volunteer work.</p> <p>This income type is only used to report the daily allowances paid to persons participating in volunteer work. If the tax-exempt daily allowance is connected to the wages paid by the organisation, it is reported using income type Daily allowance (331).</p> <p>In this section, report only the tax-exempt allowances defined in section 71(3) of the income tax act (tuloverolaki 1535/1992).</p> <p>According to the legal provision, the following is tax-exempt income from a reimbursement of travel expenses paid by a non-profit or public sector organisation:</p> <ul style="list-style-type: none"> • daily allowance for no more than 20 days per calendar year • accommodation allowance. <p>This income type is used to report only the tax-exempt amounts. If a non-profit or public sector organisation pays more daily allowances than stipulated in section 71(7) of the income tax act (tuloverolaki 1535/1992), the extraneous part is reported as non-wage compensation for work.</p>	M	1 and 2



		<p>Tax-exempt reimbursements of travel expenses can be paid to recipients of an athlete's or competition judge's fees based on the above-mentioned grounds and limitations, even if they also receive a separate fee as a non-wage compensation for work. The competition or event must be related to the activities of the non-profit organisation. The tax-exempt daily allowances paid are reported using income-type Daily allowance paid by non-profit organisation. The taxable amount exceeding the tax-exempt daily allowance is reported to the Incomes Register as non-wage compensation for work using income-type Non-wage compensation for work.</p> <p>No social insurance contributions are paid from the daily allowance.</p>		
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5. ITEMS DEDUCTED FROM THE INCOME AND OTHER PAYMENTS

The data can be submitted in connection with reporting method 1 (total wages) and reporting method 2 (complementary income types), and also in connection with separately reported income types (1 and 2) in the same report.

CODE VALUE	INCOME TYPE NAME	DESCRIPTION		METHOD
401	Compensation collected for car benefit	<p>The deductible of a fringe benefit paid by the employee from the taxable value of the car benefit.</p> <p>The deductible of the car benefit decreases the amount of earnings and taxable benefit on which social insurance contributions are based or eliminates it entirely. If the deductible of the car benefit is lower than the taxable value of the car benefit, the difference between the value of the car benefit and the compensation collected for the car benefit is taxable wages of the employee. If the deductible is equal to the taxable value of the car benefit, no taxable benefit is established. Even then, the collected compensation must be reported. The amount of the benefit must also be reported using the 'Car benefit' income type.</p> <p>The amount of the car benefit is reported in full using the 'Car benefit' income type, and the deductible collected from the employee is reported using the 'Compensation collected for car benefit' income type.</p> <p>The car benefit must be reported even if the payer has collected from the income earner compensation for the fringe benefit equal to or exceeding the monetary value of the fringe benefit, with no remaining amount to be added to the wages.</p> <p>The employer may collect the deductible of the car benefit from the net wages of the employee.</p>	M	1 and 2
402	Withholding tax	<p>A prepayment whereby the payer deducts the tax calculated according to the withholding tax rate from the monetary amount paid to a taxpayer.</p> <p>The withholding tax can be reported as a total amount in the report, even if several income types were reported.</p>	M	1 and 2



403	Elected official fee	<p>A fee that can be collected from the meeting fees of elected municipal officials to be paid to political parties.</p> <p>The elected official fee may only be reported by municipalities and joint municipal authorities. A municipality or joint municipal authority reports an elected official fee collected from the fees paid to a person elected for a municipal position of trust. The remuneration paid to the person in a position of trust is reported using the Meeting fee, Compensation for acting in position of trust or Total wages income types, depending on the grounds of the payment.</p> <p>If the income earner acting in a position of trust has paid the elected official fee directly to a political party, the fee is not reported to the Incomes Register. The political party reports the fee to the Tax Administration on its annual return.</p> <p>The fee is not reported if it has been collected for a position other than a municipal position of trust, such as a membership of a board of directors of a limited liability company or another civil law corporation.</p>	M	1 and 2
404	Tax at source	<p>The final tax collected from a payment made to a non-resident taxpayer that the payer is obligated to collect from the income in connection with its payment.</p> <p>This itemisation type is used to report only tax at source collected and paid to Finland.</p> <p>The tax at source can be reported as a total amount in the report, even if several income types were reported.</p> <p>The tax at source does not include the employee's health insurance contribution; if necessary, this is collected separately. In such a case, the employee's health insurance contribution is reported using the separate 'Employee's health insurance contribution' income type.</p> <p>If no tax at source is collected from a royalty paid to a non-resident taxpayer, the payer must enter the amount of tax at source as EUR 0. Do not leave the field empty in such a case.</p>	M	1 and 2



405	Tax at source deduction	<p>A deduction made from the total amount of monetary wages and fringe benefits before tax at source is collected.</p> <p>When tax at source is collected, a deduction of EUR 510 per month is made from the total amount of income for which a 35% tax at source is collected. When the income has been accrued during a period of less than a month, EUR 17 per day is deducted from the total amount. However, the deduction may not be larger than the amount of income. Receiving the deduction requires that the taxpayer presents the payer with a tax at source card with an entry for the deduction.</p>	M	1 and 2
406	Wages paid	<p>Cash wages paid to the employee after withholding tax, the employer's social insurance contributions and other deductible items have been deducted.</p> <p>The other deductible items may include reimbursement collected from the employee for fringe benefits, unemployment fund and trade union membership fees collected by the employer, and enforcement payments.</p> <p>Expense items that are the employer's responsibility, such as hotel payments on business travel, ticket expenses or any occupational health care payments, are not reported using the Wages paid income type.</p>	V	1 and 2
407	Reimbursement collected for other fringe benefits	<p>The share of the value of a fringe benefit paid by the employee.</p> <p>In this section, report the amount collected from the employee for fringe benefits other than a car benefit or employer-subsidised commuter ticket benefit.</p> <p>The amount of the fringe benefit is reported in full using the appropriate income type, and the deductible collected from the employee is reported using the 'Reimbursement collected for other fringe benefits' income type.</p> <p>Even if the employer has collected or the employee otherwise has paid a reimbursement for a fringe benefit to the employer equalling the</p>	M	1 and 2



		<p>monetary value of the fringe benefit, the fringe benefit and the reimbursement collected must be separately reported to the Incomes Register in full. The reimbursement collected for a fringe benefit reduces the amount of taxable income and the amount of earnings from work on which the social insurance contributions are based.</p> <p>Example: An employee has been granted permission to charge her electric vehicle during the workday in the employer's parking garage on the employer's expense. The employee incurs a EUR 30 monthly benefit. The employer collects an amount from the employee's net wages equalling the taxable value of the benefit, EUR 30. The payer reports the following to the Incomes Register:</p> <ul style="list-style-type: none"> • 317 Other fringe benefit 30.00 <ul style="list-style-type: none"> ○ Type of benefit: Other benefit • 407 Reimbursement collected for other fringe benefits 30.00 <p>If the reimbursement collected for a meal benefit equals the taxable value, the collected reimbursement is not reported using the itemisation type Reimbursement collected for other fringe benefits. In such a case, only the Reimbursement for meal benefit corresponds to the taxable value – Yes (true) entry is made.</p> <p>The employer may collect the reimbursement for fringe benefits from the net wages of the employee.</p> <p>If a fringe benefit reported using income type Other fringe benefit is not subject to social insurance contributions, and the payer has reported this using the Type of insurance information data group, the corresponding Type of insurance information data must also be added to the Reimbursement collected for other fringe benefits income type to the extent the collected reimbursement targets the part not subject to social insurance contributions. Although the default assumption for this income type is that it is not subject to social insurance contributions, the payer must confirm the data on the report in the manner described above.</p> <p>Example: A person has a EUR 750 accommodation benefit from which the employer has collected a reimbursement of EUR 150. Additionally, the employer grants a EUR 180 benefit that is not subject to earnings-related pension, unemployment or accident and occupational disease insurance contributions. However, the income type is subject to a health insurance contribution.</p>	
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		<p>The payer has collected a EUR 30 reimbursement for this benefit.</p> <p>The payer reports the information as follows:</p> <ul style="list-style-type: none"> • 317: 750.00 (the benefit can also be reported using income type 301) • 317: 180.00 <ul style="list-style-type: none"> ○ Type of insurance information: Subject to earnings-related pension insurance contribution: No ○ Type of insurance information: Subject to unemployment insurance contribution: No ○ Type of insurance information: Subject to accident insurance and occupational disease insurance contribution: No • 407: 150.00 • 407: 30.00 <ul style="list-style-type: none"> ○ Type of insurance information: Subject to earnings-related pension insurance contribution: No ○ Type of insurance information: Subject to unemployment insurance contribution: No ○ Type of insurance information: Subject to accident and occupational disease insurance contribution: No <p>See the customer instructions for Reporting data to the Incomes Register: fringe benefits and reimbursements of expenses and Reporting data to the Incomes Register: insurance-related data.</p>		
408	Other item deductible from net wage or salary	<p>Items the payer deducts from the net wage or salary before paying it to the income earner.</p> <p>Items may be deducted from the net wage by law or agreement. Deductions made by law include debt recovery payments. The employer may set off its own receivables from the employee's wages. Fees may be deducted from the employee's net wages, if the employer and employee have agreed on their collection. Items deductible from a net wage include unemployment fund and trade union membership fees, and parking garage fees.</p> <p>If the debt recovery payment has already been separately reported, it is not included in the total amount of this itemisation type.</p>	V	1 and 2
409	Net wage or salary	Wages from which tax has been withheld and	V	1 and 2



		<p>the employee's social insurance contributions have been paid.</p> <p>The net wage is different to the wage paid to the employee.</p>		
410	Employer-paid premium for collective additional pension insurance	<p>The employer's share of the additional pension insurance premium paid to cover a collective additional pension.</p> <p>The premium is reported only if the employee pays part of the premiums. If the employer pays the collective additional pension insurance premiums in full, this information is not reported on the earnings payment report.</p> <p>Only the premiums of collective additional pension insurance policies taken out on 6 May 2004 or later are reported here. If the employee has been insured prior to 6 May 2004, the premiums collected are reported only in the Employee's earnings-related pension insurance contribution section.</p> <p>The contributions are also reported in that section when a new employee has joined a collective insurance policy after 6 May 2004, but the employer has taken the policy out prior to that date.</p>	M	1 and 2
411	Employer-paid premium for collective additional pension insurance, employee's contribution	<p>The employee's share of the additional pension insurance premium paid to cover a collective additional pension.</p> <p>The premium is reported only if the employee pays part of the premiums. If the employer pays the collective additional pension insurance premiums in full, this data is not reported on the earnings payment report.</p> <p>Only the premiums of collective additional pension insurance policies taken out on 6 May 2004 or later are reported here. If the employee has been insured prior to 6 May 2004, the premiums collected are reported only in the Employee's earnings-related pension insurance contributions section.</p> <p>The contributions are also reported in that section when a new employee has joined a collective insurance policy after 6 May 2004, but the employer has taken the policy out prior to that date.</p>	M	1 and 2



412	Employee's health insurance contribution	<p>A share of the health insurance premium via which the employee participates in financing earned income insurance.</p> <p>In the case of resident taxpayers, the health insurance contribution is always included in withholding tax, and the employee's health insurance contribution should not be separately reported for resident taxpayers.</p> <p>The health insurance contribution of a non-resident taxpayer must be collected separately in addition to tax at source, unless the non-resident taxpayer wants to be taxed in accordance with the Tax Procedure Act, in which case the health insurance contribution is included in the withholding tax or prepayment of tax.</p> <p>The employee's health insurance contribution includes the daily allowance contribution of health insurance and the health care contribution of health insurance. The amounts of the contributions are confirmed annually by Government decree.</p>	M	1 and 2
413	Employee's earnings related pension insurance contribution	<p>Earnings-related pension insurance contribution determined based on the gross wage, through which the employee participates in the financing of the earnings-related pension.</p> <p>The employee's earnings-related pension insurance contribution is deducted from the employee's net wages.</p>	M	1 and 2
414	Employee's unemployment insurance contribution	<p>An unemployment insurance contribution determined based on the gross wage, through which the employee participates in the financing of the unemployment insurance.</p> <p>The employee's unemployment insurance contribution is deducted from the employee's net wages.</p>	M	1 and 2
415	Reimbursement for employer-subsidised commuter ticket	<p>The deductible of a fringe benefit paid by the employee from the euro value of an employer-subsidised commuter ticket.</p> <p>Part of the value of the employer-subsidised</p>	M	1 and 2



		<p>commuter ticket is tax-exempt and part is taxable. The taxable share of the employer-subsidised commuter ticket is a fringe benefit. A personal public transport ticket with a value of no more than EUR 300, provided by the employer to the employee for commuting between the employee's residence and place of work, is tax-exempt income. Furthermore, such a ticket is considered tax-exempt income for the amount exceeding EUR 750, up to EUR 3,400. A report must always be submitted for an employer-subsidised commuter ticket, including when there is no taxable benefit.</p> <p>If the income earner buys the ticket themselves, and the employer pays the price of the ticket or part of it to the employee, the entirety of the compensation paid by the employer is considered to be the employee's wages. In such a case, the price of the ticket paid to the employee is reported as wages only.</p> <p>The employer may collect the deductible of the employer-subsidised commuter ticket from the net wages of the employee.</p> <p>Example: The employer has provided an employee with an employer-subsidised commuter ticket with a value of EUR 1,000. The employer collects EUR 200 from the employee's net wages. The amount of the taxable fringe benefit and wages is EUR 250. The employee receives EUR 550 of tax-exempt benefit.</p> <ul style="list-style-type: none"> • The taxable amount considered as wages, EUR 250, is reported using the Employer-subsidised commuter ticket, taxable share income type. • The amount collected from the employee, EUR 200, is reported using the Reimbursement for employer-subsidised commuter ticket income type. • The amount of tax-exempt benefit, EUR 550, is reported using the Employer-subsidised commuter ticket, tax exempt share income type. <p>Example: The employer has provided an employee with an employer-subsidised commuter ticket with a value of EUR 1,000. The employer collects EUR 500 from the employee's net wages. The amount of taxable fringe benefit is EUR 450. Because the collected reimbursement is larger than the taxable value of the benefit, no taxable fringe benefit is established. The employee receives EUR 500 of tax-exempt benefit.</p> <ul style="list-style-type: none"> • The amount collected from the employee, EUR 	
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		<p>500, is reported using the Reimbursement for employer-subsidised commuter ticket itemisation type.</p> <ul style="list-style-type: none"> • EUR 500 is reported using the Employer-subsidised commuter ticket, tax exempt share income type. <p>In the case of employer-subsidised commuter tickets, the amounts of taxable and tax-exempt benefit are estimated on an annual level unlike other fringe benefits, which are valued on a monthly level. If an employer-subsidised commuter ticket is granted once per year, for example at the start of the year, and a reimbursement is collected regularly throughout the entire year, the person would, in practice, incur a taxable benefit at the start of the year, as the payer has not yet had time to collect more than the first month's reimbursement for the benefit. So that the payer does not need to correct submitted reports in a situation described above, the payer can anticipate the situation in advance and divide the tax-exempt share over the entire year, reporting it monthly to the Incomes Register together with the collected reimbursement.</p> <p>Example: The employer gives an employer-subsidised commuter ticket worth EUR 1,800 at the beginning of the year. The employer collects EUR 100 per month for the ticket, in total EUR 1,200 per year). In practice, no share deemed to be wages would remain at the end of the year, but at the start of the year there would be, because the employer has not had time to collect the reimbursements from the employee.</p> <p>So that the payer does not need to correct the submitted reports as the collected amount increases, the payer can anticipate the situation in advance and divide the tax-exempt share over the entire year, reporting it monthly to the Incomes Register together with the collected reimbursement as follows:</p> <ul style="list-style-type: none"> • 341 (tax-exempt share): 50.00 • 415 (collected reimbursement): 100.00 		
416	Tax paid abroad	Tax, for example withholding tax, withheld by the employer from the employees wages and paid to the country of work. The withheld tax must be as close to the final tax as possible.	V	1 and 2



		<p>Most commonly, this involves a situation where a Finnish employer has a permanent establishment abroad and is subject to employer obligations there. This information is significant because, as the country of residence, Finland is obligated to eliminate double taxation.</p> <p>This itemisation type is not used to report any taxes paid abroad by the employee; the employee reports them in their own taxation.</p>		
417	Distrain	<p>An amount withheld in order to make a debt recovery payment. The garnished amount is calculated from net income.</p> <p>However, a protected share must be left during garnishment for the livelihood of the debtor and their family.</p>	V	1 and 2
418	Voluntary individual pension insurance premium	<p>Premium of a pension insurance taken out for a specific person to complement statutory pension provision. The voluntary individual pension insurance premium may be continuous or a one-off payment.</p> <p>Enter the premiums of the voluntary individual pension insurance taken for the employee here. Similarly, also report the premiums of an individual pension insurance taken out for a partner in a general partnership, a general partner in a limited partnership, or a shareholder in a limited liability company that does not have an earnings-related pension insurance.</p> <p>If the premiums of voluntary individual pension insurance taken out by the employer exceed EUR 8,500, they are taxable income from which the employer's social insurance contributions are also paid. If the premiums exceed EUR 8,500 per year, the payer reports the extraneous premiums as other fringe benefits.</p> <p>Example: The employer pays EUR 12,000 per year in premiums for voluntary individual pension insurance it has taken out for an employee. The employee reports the information as follows:</p> <ul style="list-style-type: none"> • Voluntary individual pension insurance premium EUR 8,500. • Other taxable fringe benefits EUR 3,500. 	M	1 and 2



		<p>Enter only the premiums of the voluntary individual pension insurance here. If, on the employee's behalf, the employer has paid the employee's mandatory pension insurance contributions, unemployment insurance contributions and the premiums of voluntary pension insurance taken out by the employee, these are reported using the 'Other fringe benefits' income type.</p>		
419	Deduction before withholding	<p>A direct expense incurred when performing work, which is paid by the employee and deducted from gross wages by the employer before determining the withholding tax. Such expenses include expenses paid by the income earner that are incurred from the use of a chainsaw, and other expenses arising from tools. Similarly, business travel expenses are such expenses, if the employer does not pay tax-exempt allowance for them in addition to wages.</p> <p><i>The maximum amount of deduction that can be reported is the amount of the payment.</i></p> <p>Enter the deduction made before withholding tax in this section. <i>The share of the deductions must also be included in the wages reported using an income type.</i></p> <p>Example: The employee has paid EUR 4,500 in expenses incurred from the use of a chainsaw. The annual wages paid to the employee are EUR 20,000, of which the share of work performed with a chainsaw is EUR 14,000. The employee has requested the deduction of operating expenses according to the 40% rule, before the collection of tax to be prepaid from the wages paid for work performed with a chainsaw, i.e., EUR 5,600. The tax to be prepaid has been collected from EUR 14,400 (20,000-5,600) in accordance with section 15 of the tax prepayment act (ennakkoperintälaki 1118/1996).</p> <p>EUR 20,000 is reported using the Wages income type, and EUR 5,600 is reported using the itemisation type Deduction before withholding. The employee must request a chainsaw deduction on their pre-completed tax return form, and provide an account of the amount of wages paid for work performed with a chainsaw. In final taxation, the deduction is calculated from the share of the wages paid for work performed with a chainsaw (EUR 14,000).</p> <p>If the employer has paid the expenses incurred by the use of a chainsaw, see the instructions for reporting this in the section: Taxable reimbursement of expenses.</p>	M	1 and 2



		<p>Example: A folk musician is promised EUR 200 for a gig. Travel and travel expenses do not affect the gross amount paid. The travel expenses are thus not reimbursed.</p> <p>The employer can calculate the amount from which to withhold tax by deducting the same amount as the tax-exempt reimbursable amount, based on an account given by the employee. For example, amounts corresponding to travel expenses of 51 km x 43 cents per kilometre, or 21.93 cents, and a partial daily allowance of EUR 19, leaving EUR 159.07 as the amount subject to withholding. The employer's health insurance contribution is also paid from the same amount.</p> <p>EUR 200 is reported using the Wages income type, and EUR 40.93 is reported using the itemisation type Deduction before withholding. No entries are made using the income types of tax-exempt reimbursements of travel expenses.</p> <p>The employee must request the deductions in their tax return, and the deduction is usually lower than in connection with withholding.</p> <p>In certain situations laid down in the law, the payer can also deduct such costs from the athlete's fee before withholding that were paid by the athlete himself or herself and that were directly incurred from sports. Such a deduction made by the payer is reported using the income type Deduction before withholding. The share of the deductions must also be included in the fee reported using the Non-wage compensation for work income type. The maximum amount of deduction that can be reported is the amount of the payment even if the expenses incurred by the athlete are greater than the fee.</p> <p>If the payer makes the deduction from income that is not subject to social insurance contributions, the payer must submit the Type of insurance information entry for the Deduction before withholding income type. The default for the Deduction before withholding income type is that it is not subject to social insurance contributions. Regardless of this, the payer must provide the Type of insurance information entry (Subject to social insurance contributions: No) if the deduction is made from income that is not subject to social insurance contributions.</p> <p>Example: A third-party lecturer is paid a lecture fee of EUR 1,000. The lecture fee is not subject to social insurance contributions. The lecturer has incurred EUR 150</p>	
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		<p>in travel expenses. The payer does not separately reimburse the expenses; instead, the payer deducts the amount of the expenses before withholding taxes. The person's withholding rate is 30%. The payer withholds taxes from EUR 850 and reports the data to the Incomes Register as follows:</p> <ul style="list-style-type: none"> • 214 Lecture fee: 1000.00 • 402 Withholding tax: 255.00 • 419 Deduction before withholding: 150.00 <ul style="list-style-type: none"> ○ Type of insurance information: Subject to social insurance contributions – Grounds for insurance contribution: No <p>If a single transaction includes the payment of wages subject to social insurance contributions and such wages in accordance with section 13 of the tax prepayment act (ennakkoperintälaki 1118/1996) on which social insurance contributions are not based, and expenses which are deducted before withholding are allocated to either income, the payer must specify the Type of insurance information. This allows the deduction to be allocated to the correct income type.</p> <p>If, in a single transaction, the payer deducts expenses from income subject to social insurance contributions and income from which no social insurance contributions are paid, the payer must report the deductions separately. Type of insurance information (Subject to social insurance contributions: No) must be specified for the deduction made from income from which no social insurance contributions are paid.</p> <p>Example: A person is paid EUR 2,900 in monthly wages and EUR 300 in waiting time compensation. The waiting time compensation is not subject to social insurance contributions. The person's withholding rate is 20%. The person has EUR 45 in expenses allocated to the waiting time compensation and EUR 100 in expenses allocated to the time-rate pay. The employer deducts both parts from the person's income prior to withholding taxes. The payer reports the data to the Incomes Register as follows:</p> <ul style="list-style-type: none"> • 201 Time-rate pay: 2900.00 • 217 Waiting time compensation: 300.00 • 402 Withholding tax: 611.00 • 419 Deduction before withholding: 100.00 • 419 Deduction before withholding: 45.00 <ul style="list-style-type: none"> ○ Type of insurance information: Subject to social insurance contributions – Grounds for insurance contribution: No 	
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		<p>If the deduction before withholding is made from income subject to all social insurance contributions, the payer does not need to specify the Type of insurance information unless the payer also pays some other income not subject to social insurance contributions in the same transaction.</p> <p>Example: A person is paid EUR 3,500 as monthly wages. Her withholding rate is 25%. In her work, she uses her own tools for which the employer does not pay a separate compensation. The payer deducts EUR 30 for the use of the employee's own tools before withholding and withholds taxes from EUR 3,470. Because the monthly wages paid are subject to all social insurance contributions, the payer does not need to specify the Type of insurance information.</p> <p>The payer reports the data to the Incomes Register as follows:</p> <ul style="list-style-type: none">• 201 Time-rate pay: 3500.00• 402 Withholding tax: 867.50• 419 Deduction before withholding: 30.00		
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