Online meeting: tax-at-source card applications in 2020

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Agenda

- Application form 6211e step-by-step
- Required attachments
- Overview of changes
- Special considerations for investment funds
- Where to find more information
Application form 6211e step-by-step

Applicant details

- Tax identification number or other registration number (1.2-1.3)
- Postal address
  - Country of residence should be the country of residence of the applicant
  - If e.g. the fund management company address is in another country, write down the postal country in field 1.6 (Post office)
- Legal form of applicant
  - Describe in much detail as possible in the field the legal form of the applicant
  - E.g. for investment funds, write down the fund form such as FCP, SICAV, sondervermögen, värdepappersfond, etc.

Information on representative/agent

- When the information on section 2 is filled in, all information requests will be sent to this address
- If you do not fill in section 2, requests will be sent to the address specified in section 1
- If you want the tax-at-source card to be sent to the agent specified in section 2, tick the box "Tax-at-source card will be delivered to a representative" (2.2)
- Also remember to indicate that you have attached a Power of Attorney
Details on tax-at-source card

- Previous applications
  - for tax-at-source card
  - for refund
  - if you have a previous tax-at-source card or refund decision, give the decision number in field 3.4

- Changes in circumstances
  - indicate whether there have been any changes to the circumstances presented in the previous application
  - for example, if the official name of the applicant has changed, changes in legislation in your country of residence, etc.

- Validity of tax-at-source card
  - tax-at-source card is typically issued for the current calendar year, e.g. 1.1.2020-31.12.2020

Details on tax-at-source card

- Basis on which you are applying
  - choose one: tax treaty, EU Law, other reason
  - if you are unsure, tick "other reason" and provide a free format explanation

- Tax-at-source card tax rate
  - tax treaty rate, e.g. 15%
  - tax exemption → 0%
  - corporate rate 20%

- Finnish payor
  - if your application concerns a specific payor, fill in the details of that payor in fields 3.8-3.9
  - if your applications concerns dividends paid by several publicly listed companies, write this down in field 3.8
Application form 6211e step-by-step

- Beneficial owner of the income
  - Read the instructions online
  - If you are unsure, leave the box unticked

- Signature
  - Authorised agent (by Power of Attorney) or a person with the right to sign on behalf of the applicant

- Contact
  - We recommend you write down an email and/or phone number for the person who can be contacted for further information
Required attachments

- All applications
  - a certificate of residence (COR); exception applications based on EU Law, where some other registration document (e.g. fund registration) is accepted
  - a Power of Attorney if represented by an agent
  - a proof of purchase for the Finnish shares (new)

- In addition, if applying on the basis of EU Law or other reason (field 3.6)
  - a detailed description of the grounds the application is based on

- Other documentation may be required depending on the case
Overview of changes

- **Proof of purchase**
  - new requirement for proof of purchase or some other document, showing that the corporate entity owns shares issued by a Finnish company
    - should include those Finnish companies whose shares the applicant holds at the time of application
    - need to own shares of **at least one** Finnish company
  - if you do not currently hold any Finnish shares, you can always apply for the tax-at-source card once you have purchased some shares
  - the tax-at-source card is still issued for several publicly listed companies, unless specified otherwise on the application
Overview of changes

- Legislative change concerning investment funds
  - all investment funds need to provide the grounds for application even if they have a previous refund decision or tax-at-source card
  - the eligibility of foreign investment funds for tax exemption has changed starting in 2020
    - the new legislation is applicable to dividends paid in 2020 or thereafter → therefore, currently only impact tax-at-source cards
  - we have provided a template of questions you can utilise when compiling your free format explanation
  - detailed guidance will be published in English in February, Finnish and Swedish versions already available
  - we have also made an unofficial English translation of the impacted legislation
Special considerations for investment funds

Pay special attention to these

- Does the fund believe they are comparable to an equivalent UCITS or AIF fund?
- Under which rules is the investment fund established: contractual agreement, trust form (unit trust), or company by-laws (investment companies); also describe in more detail in which entity form the collective investment scheme performs its activities (e.g. investment association).
- Roughly how many investors have subscribed into the fund?
- Is the fund open ended with variable capital, i.e. can the unit holder subscribe and redeem its shares?

Umbrella funds

- Finnish investment funds can now also be formed as umbrella funds
  - therefore the eligibility for tax exemption is also evaluated at the level of the sub-fund
- Fill in the application in the name of the sub-fund
  - if your application is based on the applicant's comparability with a Finnish investment funds
  - in other cases, fill in the application in the name of the entity to whom the COR is issued
Where to find more information

- Application form 6211e and instructions for filling out the form
- Financial sector and taxation webpage
- Upcoming detailed guidance will be made available at our Detailed Guidance section on tax.fi
Questions?

In matters related to refunds of tax-at-source and tax-at-source cards, you can contact:

whtreclaims@vero.fi
For You.