

Finland

Table FI.1: Tax Revenue

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
A. Structure by type of tax															
as % of GDP															
Indirect taxes	12.7	12.5	12.9	13.0	13.8	14.1	14.4	14.4	14.2	14.4	14.1	14.3	14.2	13	34.1
VAT	8.1	8.1	8.4	8.3	8.7	8.9	9.2	9.2	9.0	9.1	9.0	9.1	9.1	7	22.0
Taxes and duties on imports excluding VAT	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	27	0.2
Taxes on products, except VAT and import duties	4.4	4.2	4.4	4.5	4.9	4.9	4.9	4.9	5.0	5.1	4.8	4.9	4.7	7	11.2
Other taxes on production	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.2	0.2	0.3	27	0.7
Direct taxes	17.2	17.1	15.7	15.6	16.0	15.8	16.4	16.6	16.8	16.6	16.9	16.3	16.3	5	39.1
Personal income taxes	12.5	12.7	12.7	12.0	12.2	12.4	12.7	13.3	13.2	12.9	12.5	12.2	12.2	3	29.4
Corporate income taxes	3.7	3.3	1.9	2.4	2.6	2.1	2.3	1.9	2.2	2.2	2.7	2.5	2.5	15	6.1
Other	1.0	1.1	1.1	1.2	1.1	1.2	1.4	1.4	1.5	1.5	1.6	1.5	1.5	2	3.6
Social contributions	11.4	11.5	12.1	12.0	12.0	12.6	12.5	12.6	12.6	12.7	12.0	11.8	11.8	13	28.3
Employers'	8.4	8.6	8.9	8.5	8.6	8.8	8.8	8.6	8.6	8.6	7.8	7.5	7.4	8	17.9
Households'	3.0	2.9	3.2	3.5	3.5	3.8	3.8	3.9	4.0	4.1	4.2	4.3	4.3	17	10.4
Less: capital transfers ⁽¹⁾	:	:	:	:	:	:	:	:	:	:	:	:	:		
Total	41.4	41.1	40.8	40.6	41.8	42.4	43.4	43.5	43.5	43.7	42.9	42.4	42.2	7	101.5
B. Structure by level of government															
as % of total taxation															
Central government	50.9	49.9	46.3	45.9	47.9	47.5	47.6	47.4	47.0	47.6	48.4	49.2	48.9	23	49.7
State government ⁽²⁾	:	:	:	:	:	:	:	:	:	:	:	:	:		
Local government	21.2	21.9	23.7	24.3	23.1	22.7	23.4	23.5	23.7	23.1	23.5	22.7	22.8	3	23.2
Social security funds	27.6	28.0	29.8	29.7	28.7	29.6	28.9	28.9	29.0	29.0	27.8	27.9	27.9	19	28.3
EU institutions	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.2	0.4	22	0.4
C. Structure by economic function															
as % of GDP															
Consumption	12.6	12.4	12.9	12.9	13.8	14.0	14.3	14.2	14.1	14.3	14.1	14.2	14.0	5	33.8
Labour	20.5	21.3	22.2	21.1	21.4	22.2	22.3	22.6	22.4	22.5	21.4	21.0	20.9	8	50.3
of which on income from employment	18.4	19.1	19.8	18.8	19.0	19.7	19.7	19.8	19.5	19.5	18.4	18.1	18.0	8	43.4
Paid by employers	8.4	8.6	8.9	8.5	8.6	8.8	8.8	8.6	8.6	8.6	7.8	7.5	7.4	11	17.9
Paid by employees	10.0	10.6	10.9	10.3	10.5	10.9	10.9	11.1	10.9	10.9	10.6	10.6	10.6	9	25.5
Paid by non-employed	2.1	2.1	2.4	2.3	2.4	2.5	2.7	2.8	2.9	3.0	2.9	2.9	2.9	4	6.9
Capital	8.3	7.4	5.7	6.5	6.6	6.1	6.8	6.7	7.0	6.9	7.5	7.2	7.3	13	17.5
Income of corporations	3.7	3.3	1.9	2.4	2.6	2.1	2.3	1.9	2.2	2.2	2.7	2.5	2.5	15	6.1
Income of households	1.6	1.2	0.9	1.1	1.1	1.0	1.1	1.3	1.5	1.4	1.4	1.4	1.4	3	3.4
Income of self-employed	1.8	1.7	1.8	1.8	1.7	1.8	1.8	2.0	1.9	1.8	1.8	1.7	1.7	8	4.1
Stock of capital	1.1	1.1	1.1	1.2	1.2	1.2	1.4	1.5	1.5	1.5	1.7	1.5	1.6	13	3.9

Table FI.1: Tax Revenue (continued)

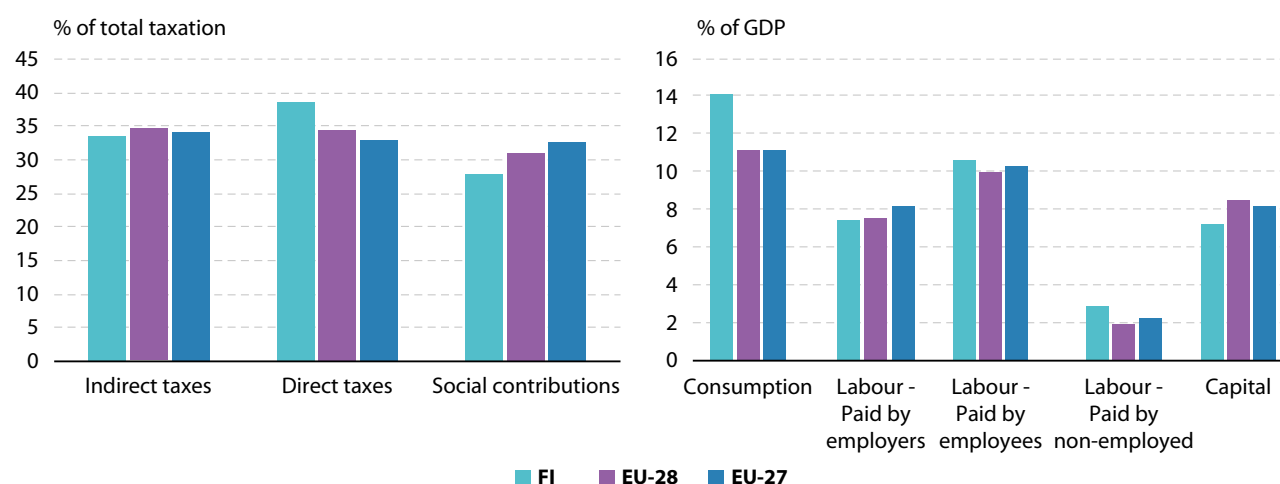
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
D. Environmental taxes as % of GDP															
Environmental taxes	2.7	2.6	2.5	2.7	3.0	3.0	2.9	2.9	2.9	3.1	3.0	2.9	2.8	10	6.7
Energy	1.6	1.7	1.7	1.7	2.0	2.0	1.9	1.9	2.0	2.1	2.0	2.0	1.9	15	4.6
of which transport fuel taxes	1.2	1.3	1.3	1.3	1.2	1.3	1.3	1.2	1.2	1.2	1.2	1.2	1.1	19	
Transport	1.0	0.9	0.8	0.9	1.0	0.9	0.9	0.9	0.9	1.0	1.0	0.9	0.9	4	2.1
Pollution and resources	0.07	0.05	0.05	0.05	0.07	0.06	0.06	0.05	0.05	0.03	0.03	0.03	0.02	20	0.1
E. Property taxes as % of GDP															
Taxes on property	1.1	1.1	1.0	1.1	1.1	1.2	1.3	1.4	1.4	1.4	1.6	1.5	1.6	11	3.7
Recurrent taxes on immovable property	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.7	0.8	0.8	0.8	0.8	0.8	9	1.9
Other taxes on property	0.6	0.6	0.5	0.5	0.5	0.5	0.7	0.7	0.7	0.7	0.8	0.7	0.8	9	1.9
F. Implicit tax rates %															
Consumption	21.4	20.7	20.1	19.9	21.0	21.0	21.3	21.1	20.9	21.4	21.3	21.6	21.4	7	
Labour	40.1	40.6	39.8	38.5	39.1	39.7	39.9	40.5	40.4	40.9	39.8	38.9	38.8	9	
G. Payable tax credits as % of GDP															
Total payable tax credits	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Tax expenditure component	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Transfer component	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Total tax revenue adjusted for payable tax credits	:	:	:	:	:	:	:	:	:	:	:	:	:	:	

(¹) Representing taxes assessed but unlikely to be collected.

(²) This level refers to the *Länder* in Austria and Germany, the *gewesten and gemeenschappen / régions et communautés* in Belgium, and the *comunidades autónomas* in Spain.

Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Figure FI.1: Tax revenues by main taxes, 2019
(in % of total taxation (left graph) and in % of GDP (right graph))



Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Table FI.2: Latest tax reforms

Description of measure	Change	Date
Personal income tax: Earned income		
Full adjustment for the raise in general earnings level to the central government earned income tax scale.	Base decrease	Announcement: 05-10-2020 Legislation: 30-12-2020 In force from: 01-01-2021
Increase in the earned income tax credit.	Base decrease	Announcement: 05-10-2020 Legislation: 30-12-2020 In force from: 01-01-2021
Increase of the basic allowance in municipal taxation.	Base decrease	Announcement: 05-10-2020 Legislation: 30-12-2020 In force from: 01-01-2021
The transition to low-emission transport is supported by implementing a tax reform concerning employment-related transport benefits in kind. The taxable value of fully electric vehicles used as company cars will be lowered and the charging benefits of electric vehicles at workplaces and in public recharging points will be made a tax-free benefit in 2021–2025. In addition, the taxation of employer-subsidised commuter tickets will be simplified and company bicycles will be made a tax-free benefit up to EUR 1 200.	Base decrease	Announcement: 05-10-2020 Legislation: 30-12-2020 In force from: 01-01-2021
When non-listed limited liability companies issue shares to employees, the subscription price may be lower than the shares' market value. However, if the subscription price is at least equal to the share's mathematical value, an individual employee who buys such shares will not be treated as having received a taxable benefit.	Base decrease	Announcement: 20-5-2020 Legislation: 17-12-2020 In force from: 01-01-2021
Corporate income tax		
Immediate expensing of small fixed and tangible assets	Base decrease	Announcement: 29-10-2020 Legislation: 17-12-2020 In force from: 01-01-2021
Additional 50% deduction for R&D costs of co-operation with research organizations in 2021-2025	Base decrease	Announcement: 29-10-2020 Legislation: 17-12-2020 In force from: 01-01-2021
Temporary increase of 10 percentage points to the municipalities' share of CIT in 2020	Neutral	Announcement: 04-06-2020 Legislation: 09-07-2020 In force from: 15-07-2020
Temporary increase of 10 percentage points to the municipalities' share of CIT in 2021	Neutral	Announcement: 29-10-2020 Legislation: 17-12-2020 In force from: 01-01-2021
Value-added tax		
VAT relief for small businesses increased from EUR 10 000 to EUR 15 000 of net sales.	Neutral	Announcement: 06-10-2020 Legislation: 11-12-2020 In force from: 01-01-2021
Environmentally-related taxes		
Increase in energy tax on heating fuels, decrease in tax on electricity for industry, agriculture and data centers (electricity class II), gradually abolishing the tax refund for energy-intensive enterprises, decrease tax expenditure on CHP	Rate increase	Announcement: 16-09-2020 Legislation: 17-12-2020 In force from: 01-01-2021
Health-related taxes		
Increase in tax on alcohol	Rate increase	Announcement: 16-09-2020 Legislation: 27-11-2020 In force from: 01-01-2021