

INVENTORY OF TAXES

LEVIED IN THE MEMBER STATES
OF THE EUROPEAN UNION

16th edition — Supplement AUSTRIA
FINLAND
SWEDEN



EUROPEAN
COMMISSION

EUROPEAN
COMMISSION

**DIRECTORATE-GENERAL XXI
CUSTOMS AND
INDIRECT TAXATION**

**DIRECTORATE-GENERAL XV
INTERNAL MARKET
AND FINANCIAL SERVICES**

Inventory of taxes levied in the Member States of the European Union

by the State and the local authorities
(Länder, départements, regions, districts,
provinces, communes)

16TH EDITION — Supplement Austria
Finland
Sweden

DOCUMENT

A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>)

Cataloguing data can be found at the end of this publication

Luxembourg: Office for Official Publications of the European Communities, 1996

ISBN 92-827-6986-0

© ECSC-EC-EAEC, Brussels • Luxembourg, 1996

Printed in Luxembourg

Introductory note

In collaboration with the Member States, the European Commission publishes a survey of the duties and taxes in force in the Member States of the European Union.

The present edition reflects the situation on 1 January 1995 in Austria, Finland and Sweden and is a supplement to the 16th edition.

This publication aims to provide all those interested in tax law — public servants, university staff, students, businessmen, tax advisers, etc. — with a general view of the tax systems of the Member States.

Directorates-General XXI and XV will be pleased to receive any comments or suggestions with a view to the improvement of this work.

Rue de la Loi 200
B-1040 Brussels

Abbreviations

M.b.	=	Moniteur belge
B.S.	=	Belgisch Staatsblad
BGBI.	=	Bundesgesetzblatt
VO	=	Verordnung
BayBS	=	Bayrische Bereinigte Sammlung
GVBl	=	Gesetz- und Verordnungsblatt
RGBl	=	Reichsgesetzblatt
RAO and AO	=	(Reichs). Abgabenordnung
MD	=	Ministerial Decree
TU	=	Testo unico
L	=	Legge
DL	=	Decreto legge
DPR	=	Decreto del presidente della Repubblica
RDL	=	Regio decreto legge
DM	=	Decreto ministeriale
RD	=	Regio decreto
GU	=	Gazzetta ufficiale della Repubblica Italiana
Mémorial	=	Journal officiel du grand-duché de Luxembourg
RstBl.	=	Reichssteuerverordnungsblatt
Stb.	=	Staatsblad
DRGBl	=	Deutsches Reichsgesetzblatt
SFS	=	Svensk Författningsamling

Austria	pages	1 - 35
Finland	pages	37 - 102
Sweden	pages	103 - 147

SUMMARY

*Taxes in force
levied by Federal Law*

AT 1	Income tax (<i>Einkommensteuer</i>)	1
AT 2	Wages tax (<i>Lohnsteuer</i>)	5
AT 3	Capital yields tax (<i>Kapitalertragsteuer</i>)	6
AT 4	Corporation tax (<i>Körperschaftsteuer</i>)	7
AT 5	Tax on real estate (<i>Grundsteuergesetz</i>)	9
AT 6	Land value levy (<i>Bodenwertabgabe</i>)	10
AT 7	Levy on agricultural and forestry enterprises (<i>Abgabe von land- und forstwirtschaftlichen Betrieben</i>)	11
AT 8	Turnover tax — Value-added tax (<i>Umsatzsteuer — Mehrwertsteuer</i>)	12
AT 9	Real estate transfer tax (<i>Grunderwerbsteuer</i>)	14
AT 10	Insurance tax (<i>Versicherungsteuer</i>)	15
AT 11	Tax on motor vehicles (<i>Kraftfahrzeugsteuer</i>)	16
AT 12	Fire insurance tax (<i>Feuerschutzsteuer</i>)	17
AT 13	Road-use levy (<i>Straßenbenützungsabgabe</i>)	18
AT 14	Capital transactions taxes (<i>Kapitalverkehrsteuern</i>)	19
AT 15	Succession and gift tax (<i>Erbschaft und Schenkungsteuer</i>)	20
AT 16	Standard consumption levy (<i>Normverbrauchsabgabe</i>)	22
AT 17	Waste-disposal levy (<i>Altlastenbeitrag</i>)	23
AT 18	Association dues (<i>Kammerumlage</i>)	24
AT 19	Safety levy (<i>Sicherheitsabgabe</i>)	25
AT 20	Casino levy and licence levy (<i>Spielbankabgabe und Konzessionsabgabe</i>)	26

AUSTRIA
Österreich

AT 21	Stamp and legal duties (<i>Stempel- und Rechtsgebühren</i>)	27
AT 22	Excise duty on mineral oils (<i>Mineralölsteuer</i>)	28
AT 23	Duty on tobacco (<i>Tabaksteuer</i>)	29
AT 24	Excise duty on sparkling wines and intermediate products and wine procedure (<i>Schaumweinsteuer, Zwischenerzeugnissteuer und Weinverfahren</i>)	30
AT 25	Excise duty on beer (<i>Biersteuer</i>)	31
AT 26	Duty on spirits (<i>Alkoholsteuer</i>)	32
AT 27	Local authority tax (<i>Kommunalsteuer</i>)	33
AT 28	Employers' contribution (<i>Dienstgeberbeitrag</i>)	34
AT 29	Donation levy (<i>Zuwendungsabgabe</i>)	35

SUMMARY

Taxes in force

FI 1	State income taxes (<i>Valtion tuloverot/Inkomstskatter till staten</i>)	39
FI 2	Communal tax (<i>Kunnallisvero/Kommunalskatt</i>)	43
FI 3	Church tax (<i>Kirkollisvero/Kyrkoskatt</i>)	45
FI 4	Employers' social security contributions (<i>Työnantajan sosiaaliturvamaksut/Arbetsgivarens socialskyddsavgifter</i>)	46
FI 5	Employees' social security contributions (<i>Työntekijän sosiaaliturvamaksut/Arbetstagares socialskyddsavgifter</i>)	47
FI 6	Corporate income tax (<i>Yhteisöjen tulovero/Samfunds inkomstskatt</i>)	48
FI 7	Net wealth tax (capital tax) (<i>Varallisuusvero/Förmögenhetsskatt</i>)	50
FI 8	Withholding tax on non-residents' income and net wealth (<i>Rajoitetusti verovelvollisen tulovero ja varallisuusvero/Begränsat skatteskyldigas inkomstskatt och förmögenhetsskatt</i>)	52
FI 9	Inheritance and gift tax (<i>Perintövero ja lahjavero/Arvsskatt och gåvoskatt</i>)	55
FI 10	Value-added tax (<i>Arvonlisävero/Mervärdesskatt</i>)	58
FI 11	Tax on lottery prizes (<i>Arpajaisvero/Lotteriskatt</i>)	60
FI 12	Excessive profits of Veikkaus Oy (Finnish National Lottery Ltd) and Raha-automaattiyhdistys ry (Slot Machine Association) or net revenue on betting (<i>Valtion osuus veikkausvoittovaroista, raha-arpajaisten voittovaroista ja vedonlyönnistä hevoskilpailuissa saadusta tulosta sekä Raha-automaattiyhdistyksen tuotto/Statens andel av tippningsvinstmedel, av penninglotterivinstmedel och av intäkterna av vadhållning från Veikkaus Oy samt Penningautomatföreningens avkastning</i>)	61
FI 13	Tax withheld at source from interest (<i>Korkotulon lähdevero/Källskatt på ränteinkomst</i>)	63
FI 14	Stamp duty (<i>Leimaveron/Stämpelskatt</i>)	65
FI 15	Real property tax (<i>Kiinteistövero/Fastighetsskatt</i>)	66

FINLAND
Suomi/Finland

FI 16	Tax on insurance premiums (<i>Eräistä vakuutusmaksuista suoritettava vero/ Skatt på vissa försäkringspremier</i>)	66
FI 17	Fire insurance levy (<i>Palonsuojelumaksu/Brandskyddsavgift</i>)	67
FI 18	Tax on telecommunications (<i>Telepalvelun myynnistä valtiolle suoritettava vero/ Teleskatt</i>)	68
FI 19	Tax on dogs (<i>Koiravero/Hundskatt</i>)	69
FI 20	Credit tax (<i>Luottovero/Kreditskatt</i>)	70
FI 21	Tax on charter flights (<i>Tilauslentovero/Charterskatt</i>)	71
FI 22	Levy on pharmacy (<i>Apteekkimaksu/Apoteksavgift</i>)	72
FI 23	Seamen's welfare and rescue levy (<i>Lästimaksu/Lästavgift</i>)	73
FI 24	Plant breeding fee (<i>Kasvinjalostusmaksu/Växtförädlingsavgift</i>)	74
FI 25	Customs and tariff legislation (<i>Tulleja ja tariffeja koskeva lainsäädäntö/ Lagstiftning om tullar och tariffer</i>)	75
FI 26	Excise duty on tobacco (<i>Tupakkavero/Tobaksaccis</i>)	76
FI 27	Excise duty on sweets (<i>Makeisvero/Sötsaksaccis</i>)	77
FI 28	Excise duty on beer (<i>Olutvero/Ölaccis</i>)	78
FI 29	Excise duty on alcoholic beverages (<i>Alkoholijuomavero/Skatt på alkoholdrycker</i>)	80
FI 30	Excessive profit of the State alcohol monopoly Alko Oy (Ltd) (<i>Alko Oy:n ylijäämä/Alko Ab:s årsöverskott</i>)	81
FI 31	Excise duty on soft drinks (<i>Virvoitusjuomavero/Läskedrycksaccis</i>)	82
FI 32	Excise duty on certain foodstuffs (<i>Elintarviketuotteiden valmistevero/ Accis på livsmedelsprodukter</i>)	83
FI 33	Excise duty on fuels (<i>Polttoainevero/Bränsleaccis</i>)	84

FINLAND
Suomi/Finland

FI 34	Excise duty on edible fats (<i>Ravintorasvavero/Accis på ätbara fetter</i>)	86
FI 35	Excise duty on sugar (<i>Sokerivero/Sockeraccis</i>)	87
FI 36	Excise duty on fertilizers (<i>Lannoitevero/Accis på gödselmedel</i>)	88
FI 37	Excise duty on fat and protein feed (<i>Rehujen rasva- ja valkuaisvero/ Fett- och proteinaccis på foder</i>)	89
FI 38	Oil waste duty (<i>Öljyjättemaksu/Oljeavfallsavgift</i>)	90
FI 39	Emergency stocks fee (<i>Varmuusvarastointimaksu/Säkerhetsupplagsavgift</i>)	91
FI 40	Oil damage duty (<i>Öljysuojamaksu/Oljeskyddsavgift</i>)	92
FI 41	Car tax (<i>Auto- ja moottoripyörävero/Bil- och motorcykelskatt</i>)	93
FI 42	Tax on diesel-driven vehicles (<i>Moottoriajoneuvovero/Skatt på motorfordon</i>)	95
FI 43	Fuel fee (<i>Polttoainemaksu/Bränsleavgift</i>)	97
FI 44	Tax on certain vehicles (<i>Eräistä ajoneuvoista suoritettava ajoneuvovero/ Fordonsskatt på vissa fordon</i>)	98
FI 45	Import levies (<i>Tuontimaksut/Importavgifter</i>)	99
FI 46	Hunting and fishing licences (<i>Metsästys- ja kalastusmaksut/Jakt- och fiskeavgifter</i>)	100
	1. Game management fee and hunting licence (<i>Riistanhoitomaksu ja pyyntilupamaksu/Jaktvårdsavgift och jaktlicensavgift</i>)	
	2. Fishing management fee (<i>Kalastuksenhoitomaksu/Fiskevårdsavgift</i>)	
FI 47	Forest management fee (<i>Metsänhoitomaksu/Skogsvårdsavgift</i>)	101
FI 48	Channel due (fairway due) (<i>Väylämaksu/Farledsavgift</i>)	102

Taxes abolished or repealed

The equalization fee on agricultural products, levies on marketing of certain foodstuffs, and milk quota charges were part of the Finnish agricultural system and were no longer levied after Finland joined the European Union. They were levied for the last time in 1994.

The equalization tax was no longer levied in 1994.

SUMMARY

Taxes in force

SE 1	Income tax (employment) (<i>Inkomstskatt</i>)	105
SE 2	Corporation tax (<i>Inkomstskatt för juridiska personer</i>)	106
SE 3	Special preferential tax treatment for means intended for expansion purposes (tax on means intended for expansion purposes) (<i>Expansionsmedelsskatt</i>)	108
SE 4	Car for sale tax (<i>Saluvagnsskatt</i>)	110
SE 5	Sales tax on motor vehicles (<i>Försäljningsskatt</i>)	111
SE 6	Duty on tobacco (<i>Tobaksskatt</i>)	114
SE 7	Duty on beer (<i>Alkoholskatt</i>)	116
SE 8	Duty on wine (<i>Alkoholskatt</i>)	118
SE 9	Duty on fermented beverages other than wine and beer (<i>Alkoholskatt</i>)	120
SE 10	Duty on intermediate products (<i>Alkoholskatt</i>)	122
SE 11	Duty on ethyl alcohol (<i>Alkoholskatt</i>)	124
SE 12	Tax on the possession of dogs (<i>Hundskatt</i>)	126
SE 13	Gambling tax (<i>Spelskatt</i>)	127
SE 14	Tax on lotteries (<i>Lotteriskatt</i>)	128
SE 15	Excise duty on fertilizers (<i>Gödselmedelsskatt</i>)	129
SE 16	Excise duty on biocides (<i>Bekämpningsmedelsskatt</i>)	130
SE 17	Motor vehicle tax (<i>Fordonsskatt</i>)	131
SE 18	Excise duties on fuels (<i>Punktskatter på bränslen</i>)	136
SE 19	Energy tax on electricity (<i>Energiskatt</i>)	140
SE 20	Excise duty on electricity generated in hydroelectric installations (<i>Skatt på viss elektrisk kraft</i>)	142

SWEDEN
Sverige

SE 21	Excise duty on electricity generated in nuclear power stations <i>(Särskild skatt på elektrisk kraft från kärnkraftverk)</i>	143
SE 22	Environmental tax on domestic aviation <i>(Miljöskatt på inrikes flygtrafik)</i>	144
SE 23	Value-added tax <i>(Mervärdesskatt)</i>	145
SE 24	Income tax on non-residents <i>(Lag om särskild inkomstskatt för utomlands bosatta)</i>	147

AUSTRIA
Österreich

AT 1

Income tax

(Einkommensteuer)

1988 Income Tax Law, BGBl No 400/1988, as last amended by BGBl No 297/1995.

Beneficiaries:

The federal government (46.074%), the *Länder* governments (29.156%) and the local authorities (24.770%).

Tax payable by:

Individuals resident or ordinarily resident in Austria (unlimited tax liability); Austrian citizens who are neither resident nor ordinarily resident in Austria but who work for Austrian bodies governed by public law (unlimited tax liability); individuals not resident or ordinarily resident in Austria in respect of income accruing to them in Austria (limited tax liability).

Subject of taxation and basis of assessment:

The subject of taxation is income — the total amount of income from the seven types after offsetting losses arising from the individual types, deducting special expenditure and making certain other income-reducing deductions. Losses arising from the application of certain investment concessions (in particular the investment allowance) may be offset only against later business profits.

Exemptions:

The following are excluded from the basis of assessment as being exempt:

- payments from public funds (in particular pension payments to the war-disabled and other victims; aid for the needy; aid for promoting the arts, science and research; educational grants; unemployment benefit; unpaid leave allowance; assistance under the Labour-Market Promotion Law; payments under the Invalid Recruitment Law; public subsidies for the purchase or repair of business assets; family allowances; certain components of the pay of officials working abroad; certain payments to military personnel and civil servants; compensation paid to victims of crime; legal costs compensation on acquittal; probation service payments to persons released from custody; compensation paid under the Adverse Vaccination Effects Law);
- certain parts of income from employment (see 'Wages tax');
- other exemptions (foreign students doing periods of practical training in the holidays, allocation of free shares in companies limited by shares).

Deductions:

- Special expenditure: pensions and permanent expenses; voluntary insurance of persons (subject to a maximum amount); expenditure relating to preferentially taxed housing provision

within certain ceilings (subject to a maximum amount); purchase of dividend-right certificates and new shares (subject to a maximum amount); tax advice costs; church contributions (subject to a maximum amount); donations eligible for concessions (subject to a maximum amount); loss carry-over.

- Extraordinary expenses: subject to certain conditions, these may include sickness costs, repair of disaster damage, funeral expenses and vocational training for children abroad.
- Other deductions: farmworker allowance, reorganization profits.

Married couples:

Individual taxation; where one spouse's income does not exceed OS 30 000 per annum (OS 60 000 where there is a child), the other spouse is entitled to the sole-earner allowance of OS 5 000 (which reduces the amount of tax directly).

Children's own income:

Tax on such income is assessed individually.

Non-residents (limited tax liability):

The tax arrangements are generally the same as for residents; however, non-residents are taxed only on certain types of income arising in Austria. Furthermore, special expenditure is deductible only if there is a sufficient connection with Austria; extraordinary expenses are not deductible; non-residents are subject to a special tax-deduction procedure in respect of certain types of income (especially royalties, performance fees, income from artistic and sporting activities, and payments received for providing employment).

Collection:

Tax is assessed annually. In the case of income from paid employment, tax is withheld at source by the employer (see under 'Wages tax'); in the case of certain kinds of income from capital assets (in particular dividends, bond and bank interest), tax is withheld at source at a rate of 22% (see under 'Capital yields tax'); income that has been taxed under the wages and capital yields tax arrangements is generally included in the annual income to be assessed, in which case the wages and capital yields tax paid is credited against the assessed income tax.

Rates:

Income tax is payable at the following rates:

on the first OS 50 000;	10%;
on the next OS 100 000:	22%;
on the next OS 150 000:	32%;
on the next OS 400 000:	42%;
on additional amounts:	50%.

The tax calculated in this way is reduced by tax allowances: the combination of a general allowance of OS 8 840 and the tax threshold means that tax liability does not commence until the annual income reaches approximately OS 84 000; there is a (further) sole-earner allowance

AT 1

of OS 5 000 for sole earners; there are (further) allowances totalling OS 5 500 for persons in employment and pensioners.

Special features:

In partnerships (Personengesellschaften), each partner's profits are taxed separately. The partnership itself cannot be a taxpayer.

Deduction of losses:

Business losses which are not set against positive income when the total amount of income is calculated may be carried forward as special expenditure in the succeeding seven financial years.

Wages tax

(Lohnsteuer/Special method of calculation of income tax chargeable on income from paid employment)

Articles 47 to 92 and 102 of the 1988 Income Tax Law, BGBl No 400/1988, as last amended by BGBl No 297/1995.

Beneficiaries:

For the 1995 financial year: the federal government (63.164%), the *Länder* governments (20.647%) and the local authorities (16.189%).

Tax payable by:

Employees resident or ordinarily resident in Austria (unlimited tax liability); employees of Austrian nationality who are neither resident nor ordinarily resident in Austria but who work for Austrian bodies governed by public law (unlimited tax liability); employees to whom income accrues in Austria but who are not resident or ordinarily resident there (limited tax liability).

Basis of assessment:

Wage less occupational expenses, special expenditure, extraordinary expenses and, where appropriate, the farmworker allowance.

Exemptions:

Payments to delegations abroad in respect of favourably treated activities there; payments to aid workers; free use of facilities provided by employers, such as tennis courts and rest homes; free participation in company events; employer provident payments up to a maximum of OS 4 000 per employee per year; granting of employee participating interests up to a maximum of OS 10 000 per year; voluntary welfare benefits provided by employers; free food provided at work; free drinks provided at work; free beer provided by breweries; tobacco allowances granted in tobacco factories; free travel provided by transport enterprises.

AT 3

Capital yields tax

(Kapitalertragsteuer/Special method of collection of income tax and corporation tax)

Articles 93 to 97 of the 1988 Income Tax Law, BGBl No 400/1988, as last amended by BGBl No 297/1995.

Beneficiaries:

Capital yields tax I: the federal government (19.887%), the *Länder* governments (13.349%) and the local authorities (66.764%).

Capital yields tax II: the federal government (53%), the *Länder* governments (27%) and the local authorities (20%).

Basis of assessment:

Profit distributions arising from capital holdings in corporations (especially dividends) and from sleeping partners' holdings (capital yields tax I);
Bank and bond interest (capital yields tax II).

Exemptions:

Capital yields tax I: especially dividend distributions to corporations with holdings of at least 25%.
Capital yields tax II: for example interbank interest, interest paid to businesses organized as corporations where there is an exemption declaration.

Collection:

Tax deducted at source.

Special features:

Where dividends or interest are paid to individuals, the capital yields tax deducted is a definitive tax charge.

Rate:

22%.

Corporation tax

(Körperschaftsteuer)

1988 Corporation Tax Law, BGBl No 401/1988, as last amended by BGBl No 21/1995.

Beneficiary:

The federal government.

Tax payable by:

The following have unlimited corporation tax liability in respect of all domestic and foreign income: companies limited by shares, cooperatives, mutual insurance associations, associations, foundations, other legal persons incorporated under private law, associations not possessing legal personality, institutions, foundations and other special-purpose funds governed by private law, whose management or head office is in Austria; in addition, enterprises of a commercial nature run by domestic corporations incorporated under public law (domestic corporations).

The following have limited corporation tax liability: corporations, associations and funds with neither their management nor their head office in Austria, in respect of their domestic income within the meaning of Article 98 of the Income Tax Law (foreign corporations); other corporations, associations and funds which do not have unlimited tax liability (incorporated under public law) or which are exempt, in respect of domestic income from which tax is deducted at source.

Subject of taxation and basis of assessment:

The subject of taxation is income calculated in accordance with the Income Tax Law. In the case of income from agriculture and forestry, industrial or commercial activities and self-employment, the profits and, in the case of other kinds of income, the surplus of receipts over operating expenses are used as the basis. As regards taxpayers required to keep accounts by commercial law, all income is treated as income from industrial or commercial activities.

Corporation tax is calculated on total income received during the year.

Exemptions:

The bodies exempted include the Austrian Federal Railways, the Austrian central bank, non-profit-making, charitable or religious associations, pension and benevolent funds, certain associations in the agricultural sphere, and professional or occupational associations with collective contractual capacity.

Deductions:

For the calculation of income, the following amounts, among others, may be deducted provided that they do not already constitute deductible expenditure under the Income Tax Law: pensions and permanent expenses, tax advice costs, eligible donations (special expenditure).

AT 4

Special features:

Where a company limited by shares whose management and head office are in Austria (subsidiary company) is required by an agreement for the transfer of profits to remit its total profits to another company limited by shares in Austria, the income of the subsidiary company must, under certain conditions, be imputed to the institution responsible for it (parent company).

Deduction of losses:

Losses are deducted in the same way as for income tax.

Collection:

By annual assessment.

Rate:

34%.

Tax on real estate

(Grundsteuergesetz)

Real Estate Tax Law, BGBl No 149/1955, as last amended by BGBl No 649/1987.

Beneficiaries:

The local authorities.

Tax payable on:

Real estate in Austria.

Basis of assessment:

The standard value.

Tax payable by:

Owners of real estate.

Exemptions:

Real estate used by the public, the Austrian Federal Railways, non-profit-making, charitable or religious institutions, sports clubs, hospitals, public transport, cemeteries, diplomatic and consular missions where there are reciprocal arrangements; numerous exemptions under provincial law, particularly in the context of home ownership.

Collection:

Local authority assessment.

Rate:

The combination of basic rates of tax and multipliers generally results in a tax charge of the order of 0.8% of the standard value.

AT 6

Land value levy *(Bodenwertabgabe)*

Land Value Levy Law, BGBl No 285/1960, as last amended by BGBl No 383/1973.

Beneficiaries:

The federal government (4%) and the local authorities (96%).

Tax payable on:

Undeveloped land in Austria.

Basis of assessment:

The standard value.

Levy payable by:

Landowners.

Exemptions:

Allowance of OS 200 000.

Collection:

Official assessment.

Rate:

1% of the standard value in excess of OS 200 000.

Levy on agricultural and forestry enterprises

(Abgabe von land- und forstwirtschaftlichen Betrieben)

Federal Law, BGBl No 166/1960, as last amended by BGBl No 486/1984.

Beneficiary:

The federal government.

Levy payable on:

Agricultural and forestry enterprises.

Basis of assessment:

Basic amount of real estate tax.

Levy payable by:

Persons liable to real estate tax.

Exemptions:

None.

Collection:

Official assessment.

Rate:

400% of certain basic amounts laid down for the real estate tax.

AT 8

Turnover tax — Value-added tax

(Umsatzsteuer — Mehrwertsteuer)

1994 Turnover Tax Law, BGBl No 663/1994, as last amended by BGBl No 21/1995.

Beneficiaries:

The federal government (69.412%), the *Länder* governments (18.793%) and the local authorities (11.795%).

Tax payable by:

Traders effecting taxable supplies.
Persons liable to customs duty (on imports).

Tax payable on:

Supplies of goods and services effected for consideration by a trader in the collection area in the course of his business.
Own consumption.
Imports of goods into Austria, except for the Jungholz and Mittelberg areas.
Intra-Community acquisitions.

Taxable amount:

In the case of sales of goods or services: the consideration (before tax).
In the case of own consumption: normally the purchase price plus incidental costs, or the prime or production cost (excluding tax).
In the case of imports: the customs value plus import duties (excluding import turnover tax) and certain other additions.
In the case of intra-Community acquisitions: the consideration (in the case of importation, the purchase price plus incidental costs or the prime cost).

Exemptions:

Without input tax deduction:
Certain cultural and social services (e.g. schools, theatres).
Other (e.g. banks, insurance companies, property transactions, small businesses).
With input tax deduction:
Deliveries for export, commission processing of goods for export and certain like transactions.
Intra-Community supplies.

Deductions:

Input tax paid.

Special features:

Average rates for agricultural and forestry enterprises.

Collection:

Advance payments on a monthly or quarterly basis; annual final assessment.

Rates:

Standard rate: 20% (16% in the Jungholz and Mittelberg areas).
Reduced rate: 10%.
Special reduced rate: 12% (wine sales by farmers, electric vehicles).

AT 9

Real estate transfer tax

(Grunderwerbsteuer)

Real Estate Transfer Tax Law, BGBl No 309/1987, as last amended by BGBl No 682/1994.

Beneficiaries:

The federal government (4%) and the local authorities (96%).

Tax payable on:

Sales of real estate, investment of assets in a company, etc.

Tax payable by:

Those involved in the acquisition.

Basis of assessment:

Purchase price; in special cases, the standard value of the real estate.

Exemptions:

Various exemptions, for example values not exceeding OS 15 000, improvements to building land.

Collection:

Official assessment; self-calculation is possible where solicitors and notaries are involved.

Rates:

Normally 3.5%; 2% in the case of transactions between close relatives.

Insurance tax

(Versicherungssteuer)

Insurance Tax Law, BGBl No 133/1953, as last amended by BGBl No 21/1995.

Beneficiaries:

Insurance tax I: the federal government.

Insurance tax II: the federal government (50%) and the local authorities (50%).

Tax payable on:

The payment of insurance premiums (insurance tax I).

For cars, estate cars and motor cycles registered in Austria, an engine-related insurance tax is levied within the framework of liability insurance (insurance tax II).

Basis of assessment:

Insurance premium in the case of insurance tax I and engine rating in the case of insurance tax II.

Tax payable by:

The person insured.

Exemptions:

Insurance tax I: for example social security insurance, export insurance, reinsurance.

Insurance tax II: police vehicles, fire engines, ambulances, taxis, hire vehicles, invalid vehicles, electric vehicles and mopeds.

Collection:

Monthly self-calculation by insurance companies.

Rates:

Insurance tax I: generally 11%; life and invalidity insurance, 4%; pension fund contributions, 2.5%; sickness insurance, 1%.

Insurance tax II: OS 5.50 per kilowatt of the engine rating reduced by 24 kilowatts; special arrangements for motor cycles.

AT 11

Tax on motor vehicles

(Kraftfahrzeugsteuer)

1992 Motor Vehicles Tax Law, BGBl No 449/1992, as last amended by BGBl No 503/1995.

Beneficiaries:

The federal government (74%) and the *Länder* governments (26%).

Tax payable on:

Motor vehicles registered under an Austrian registration procedure (which are not subject to the engine-related insurance tax); motor vehicles not registered under an Austrian registration procedure which use public roads in Austria.

Basis of assessment:

Motor cycles: cylinder capacity.
Vehicles up to a maximum of 3.5 tonnes: engine rating.
Other vehicles: actual total weight.

Tax payable by:

The registration certificate holder in the case of domestic motor vehicles; normally the driver in the case of foreign vehicles.

Exemptions:

Exemptions include police vehicles, fire engines, ambulances, military vehicles, buses, cars attached to rail-borne vehicles, and motor vehicles with foreign registration plates where there are reciprocal arrangements.

Collection:

Quarterly self-calculation procedure.

Rates:

Commercial vehicles up to 3.5 tonnes: same rates as for the engine-related insurance tax; heavy vehicles: OS 70 per month per tonne or part-tonne of total weight (minimum OS 600, maximum OS 2 660); reduction for trailers.

Fire insurance tax

(Feuerschutzsteuer)

1952 Fire Protection Tax Law, BGBl No 198/1952, as last amended by BGBl No 254/1993.

Beneficiaries:

The *Länder* governments.

Tax payable on:

Premiums for fire insurance in Austria.

Basis of assessment:

The total premiums collected.

Tax payable by:

Insurance companies.

Collection:

Self-calculation procedure.

Rate:

8%.

AT 13

Road-use levy

(Straßenbenützungsabgabe)

Road-Use Levy Law, BGBl No 629/1994, as last amended by BGBl No 21/1995.

Beneficiary:

The federal government.

Tax payable on:

Use of Austrian roads by lorries and trailers with a total registered weight of more than 12 tonnes.

Basis of assessment:

Calendar day, week, month, year.

Tax payable by:

Normally the registration certificate holder.

Exemptions:

Exemptions include military vehicles, street-cleaning vehicles, tractors and trailers, emergency transport, and cars attached to rail-borne vehicles using the roads.

Collection:

Monthly or annual self-calculation procedure.

Rates:

Annual rates for 1995: OS 48 000 where the total registered weight is 18 tonnes or more; otherwise OS 24 000. Increased rates where the taxpayer opts for shorter tax periods.

Capital transactions taxes

(Kapitalverkehrssteuern)

Capital Transactions Tax Law, DRGBI I 1934, p. 1058, as last amended by BGBl No 21/1995.

Beneficiary:

The federal government.

Tax payable on:

First acquisition of shares in an Austrian company limited by shares and equivalent transactions (capital duty).

Transfers of securities (stock exchange turnover tax).

Basis of assessment:

In the case of capital duty, the capital transferred to the company (consideration for the acquisition of the shares); in the case of stock exchange turnover tax, the consideration (purchase price).

Tax payable by:

In the case of capital duty, the company limited by shares (the shareholder is liable); in the case of stock exchange turnover tax, the contracting parties (jointly).

Exemptions:

Capital duty: companies limited by shares serving non-profit-making, charitable or religious purposes; public utilities; conversions, mergers and business asset transfers.

Stock exchange turnover tax: transactions between traders (both contracting parties must be banks, dealing rooms or authorized unofficial brokers).

Collection:

Official assessment in the case of capital duty; self-assessment procedure in the case of stock exchange turnover tax.

Rates:

Capital duty: 1%.

Stock exchange turnover tax: 0.04 to 0.15%; 2.5% in the case of shares of limited companies.

AT 15

Succession and gift tax

(Erbchaft- und Schenkungsteuer)

Succession Duty and Gift Tax Law, BGBl No 141/1955, as last amended by BGBl No 680/1994.

Beneficiaries:

The federal government (70%) and the *Länder* governments (30%).

Tax payable by:

Persons receiving assets by inheritance or gift (in the case of gifts, the person making the gift is also liable).

Tax payable on:

Inheritances, legacies, legal portions, credits from insurance, gifts *inter vivos*, and specific donations.

Basis of assessment:

Value of estate received, after deduction of debts and expenses involved or taken over.

Exemptions:

Certain kinds of gifts, in particular those made for religious or charitable objectives or for the public benefit.

Deductions:

Certain charges on the estate, such as the debts of the deceased, costs arising from the death, funeral expenses, and debts taken over; allowances, which may vary according to the beneficiary's tax category and the nature of the asset.

Non-residents:

In cases where neither the deceased person (donor) nor the beneficiary is resident in Austria, only certain property situated in Austria is taxable (in particular, real estate and business assets). Austrian nationals moving abroad continue to be regarded as residents for a further two years; Austrian civil servants abroad continue, in principle, to have unlimited tax liability.

Collection:

By assessment.

Rates:

The rates range from 2 to 60%. The scale contains five classes depending on the degree of relationship between the deceased person (donor) and the beneficiary. The rates are progressive within each class.

AT 16

Standard consumption levy

(Normverbrauchsabgabe)

Standard Consumption Levy Law, BGBl No 695/1991, as last amended by BGBl No 21/1995.

Beneficiary:

The federal government.

Levy payable on:

The sale and leasing of new vehicles (cars, estate cars, motor cycles, caravans) and additional circumstances.

Basis of assessment:

The consideration.

Tax payable by:

Motor vehicle dealers and leasing enterprises.

Exemptions:

Exports, electric vehicles, taxis, driving-school vehicles, hire vehicles and ambulances.

Collection:

Self-calculation procedure.

Rates:

Standard consumption-related rates (maximum 14%); in the case of motor cycles, a cylinder-capacity-related rate is applied.

Waste-disposal levy

(Alllastenbeitrag)

Waste-Disposal Law, BGBl No 299/1989, as last amended by BGBl No 185/1993.

Beneficiary:

The federal government.

Levy payable on:

Disposal of waste in Austria and the export of waste.

Basis of assessment:

Gross weight of waste.

Levy payable by:

Waste-disposal firms, exporters.

Exemptions:

None.

Collection:

Quarterly self-calculation procedure.

Rates:

OS 90 to OS 700 per tonne.

AT 18

Association dues

(Kammerumlage)

Chamber of Commerce Law, BGBl No 182/1946, as last amended by BGBl No 680/1994.

Beneficiaries:

Chambers of commerce.

Subject of taxation and basis of assessment:

Input tax deduction according to the Turnover Tax Law.

Dues payable by:

Enterprises which are members of chambers of commerce.

Exemptions:

Chamber of commerce members with an annual turnover not exceeding OS 2 million.

Collection:

Quarterly self-calculation procedure.

Rate:

0.39%.

Safety levy

(Sicherheitsabgabe)

Federal Law on protection against criminal offences which undermine the safety of civil aircraft, BGBl No 824/1992, as last amended by BGBl No 818/1993.

Beneficiary:

The federal government.

Levy payable on:

Journeys commenced by passengers at civil airports.

Basis of assessment:

Number of passengers.

Levy payable by:

Airport owners.

Exemptions:

Exemptions include children under the age of two, passengers with government request tickets and transit passengers.

Collection:

Quarterly self-calculation procedure.

Rate:

3.9%.

AT 20

Casino levy and licence levy

(Spielbankabgabe und Konzessionsabgabe)

1989 Gambling Law, BGBl No 620/1989, as last amended by BGBl No 695/1993.

Beneficiary:

The federal government.

Levy payable on:

Licence levy: licence to organize games of chance (e.g. lotto, football pools).

Casino levy: licence to run a casino.

Basis of assessment:

Licence levy: total bets placed.

Casino levy: gross annual receipts.

Levy payable by:

Licensee.

Exemptions:

None.

Collection:

Monthly self-calculation procedure.

Rates:

Licence levy: 2 to 27.5%, according to the type of game of chance.

Casino levy: progressive scale.

Stamp and legal duties

(Stempel- und Rechtsgebühren)

Duties Law, BGBl No 267/1957, as last amended by BGBl No 629/1994.

Beneficiary:

The federal government.

Duty payable on:

Stamp duties: specifically listed documents (e.g. petitions, proxy forms, certificates, passports).
Legal duties: specifically listed legal transactions, normally only in written form (e.g. tenancy agreements, surety declarations, marriage contracts, aleatory contracts, credit agreements, assignments, bills).

Basis of assessment:

Stamp duties: the document (in many cases, the individual sheets of the document).
Legal duties: generally, the value of the legal transaction.

Duty payable by:

Stamp duties: generally, the person in whose interest the document is drawn up.
Legal duties: in the case of unilateral legal transactions, the person in whose interest the contract document has been issued; in the case of multilateral legal transactions, the contracting parties jointly.

Exemptions:

A wide range of exemptions, to a large extent provided for outside the framework of the Duties Law.

Collection:

Stamp duties: generally, through the affixing of official stamps.
Legal duties: generally, through official assessment (approval may be given for self-calculation, for example in the case of banks and car-hire firms).

Rates:

The duty levels laid down in the Duties Law vary according to the document or legal transaction subject to duty.

Excise duty on mineral oils

(*Mineralölsteuer*)

1995 Mineral Oil Tax Law, BGBl No 630/1994, as last amended by BGBl No 297/1995.

Beneficiaries:

The federal government (88.559%), the *Länder* governments (8.638%) and the local authorities (2.803%); prior to the apportionment, certain preliminary deductions have to be made in favour of the *Länder* and the federal government.

Duty payable on:

Mineral oil, motor fuels (e.g. biodiesel) and heating fuels.

Basis of assessment:

1 000 litres or 1 000 kilograms (heating oils, gaseous hydrocarbons and liquid gases).

Duty payable by:

Generally, owners of tax warehouses (authorized manufacturing enterprises and warehouses), authorized recipients (registered and non-registered traders), users, buyers or producers.

Exemptions:

The following, in particular, are exempt: mineral oil not intended for use as motor or heating fuel, commercial air transport, commercial vessels operating on the Danube and Lake Constance, diplomatic and consular missions of foreign States in Austria, liquid gas used as fuel for local regular transport services, biogenic fuels produced in agriculture for own consumption, mineral oil used for the maintenance of manufacturing enterprises, chemical reduction processes in blast furnaces, waste gases and used oil.

Collection:

In principle, by means of a monthly self-calculation procedure.

Rates:

The rates per 1 000 litres or kilograms are as follows:

Unleaded petrol	OS 5 610
Leaded petrol	OS 6 600
Medium oils	OS 3 890
Gas oil	OS 3 890
Furnace heating oil (marked gas oil)	OS 950
Heating oil ¹	OS 500
Liquid gas and gaseous hydrocarbons used as fuel ¹	OS 3 600

¹ Per 1 000 kilograms.

Duty on tobacco

(Tabaksteuer)

1995 Tobacco Duty Law, BGBl No 704/1994.

Beneficiary:

The federal government.

Duty payable on:

Cigarettes, cigars, cigarillos, and smoking tobacco (fine-cut, other smoking tobacco).

Basis of assessment:

Cigarettes: mixed basis of assessment (per unit and proportion of retail price).

Other: retail price.

Duty payable by:

Generally, owners of tax warehouses (authorized manufacturing enterprises and warehouses), authorized recipients (registered and non-registered traders), users, buyers or producers.

Exemptions:

Exemptions include, in particular, enterprises using tobacco products (e.g. use for commercial purposes other than smoking and manufacture of tobacco products), allowances for employees of manufacturing enterprises, and duty-free shops.

Collection:

In principle, by means of a monthly self-calculation procedure.

Rates:

Cigarettes:	OS 232 per 1 000 units and 41% of the retail price, at least OS 740 per 1 000 units.
Cigars, cigarillos:	13% of the retail price.
Fine-cut tobacco:	47% of the retail price.
Other smoking tobacco:	34% of the retail price.

Excise duty on sparkling wines and intermediate products and wine procedure

(*Schaumweinsteuer, Zwischenerzeugnissteuer und Weinverfahren*)

1995 Sparkling Wine Tax Law, BGBl No 702/1994.

Beneficiaries:

The federal government (38.601%), the *Länder* governments (33.887%) and the local authorities (27.512%).

Duty payable on:

Sparkling wine (made from grapes and fruit).
Intermediate products.
Wine (still wine made from grapes and fruit).

Basis of assessment:

Hectolitre.

Duty payable by:

Generally, owners of tax warehouses (authorized production enterprises and warehouses), authorized recipients (registered and non-registered traders), buyers or producers.

Exemptions:

Duty-free shops.
Wine (still wine made from grapes and fruit) is subject to the rules governing intra-Community trade (in particular the duty-suspension procedure) but not to duty.

Collection:

In principle, by means of a monthly self-calculation procedure.

Rates:

Per hectolitre:	
Sparkling wine (general)	OS 2 000
Sparkling wine made from fruit with an alcohol content of up to 8.5%	OS 1 000
Intermediate products (general)	OS 700
Intermediate products meeting the sparkling wine criteria	OS 2 000
Wine	OS 0

Excise duty on beer

(Biersteuer)

1995 Beer Tax Law, BGBl No 701/1994.

Beneficiaries:

The federal government (38.601%), the *Länder* governments (33.887%) and the local authorities (27.512%).

Duty payable on:

Beer and certain beverages containing beer.

Basis of assessment:

Wort content (degree Plato) and hectolitre.

Duty payable by:

Generally, the owners of tax warehouses (authorized production enterprises and warehouses), authorized recipients (registered and non-registered traders), users, buyers or producers.

Exemptions:

Enterprises using beer (e.g. in the production of vinegar or medicines), duty-free shops.

Collection:

In principle, by means of a monthly self-calculation procedure.

Rates:

OS 20 per hectolitre and degree Plato; reductions for small breweries.

Duty on spirits

(*Alkoholsteuer*)

Spirits Tax and Monopoly Law, BGBl No 703/1994.

Beneficiaries:

The federal government (38.601%), the *Länder* governments (33.887%) and the local authorities (27.512%).

Duty payable on:

Alcohol (in particular ethyl alcohol, whether denatured or not, distillates, liqueurs and other spirits with an alcohol content of more than 1.2% volume) and products containing alcohol (e.g. liqueur sweets, perfume, frost-protection products).

Basis of assessment:

100 litres of pure alcohol.

Duty payable by:

Generally, the owners of tax warehouses (authorized production enterprises — bonded distilleries — and warehouses), authorized recipients (registered and non-registered traders), users, buyers or producers.

Exemptions:

The following, in particular, are exempt: products used in producing medicines and vinegar; denatured alcohol for producing foodstuffs no longer containing alcohol; alcohol in the form of flavours for flavouring 'alcohol-free' beverages and other foodstuffs; denatured alcohol for producing goods which are neither medicines nor foodstuffs (e.g. cosmetics); denatured alcohol used for heating or cleaning purposes or other purposes unrelated to the production of goods; completely denatured alcohol; samplings; domestic production under compensation arrangements.

Collection:

Generally, by means of a monthly self-calculation procedure; special arrangements for distillers for which production is estimated at a standard level for tax purposes.

Rates:

OS 10 000 per 100 litres of pure alcohol; reductions for distilleries for which production is estimated at a standard level for tax purposes and for small bonded distilleries.

Local authority tax

(Kommunalsteuer)

Local Authority Tax Law, BGBl No 819/1993, as last amended by BGBl No 680/1994.

Beneficiaries:

The local authorities.

Tax payable on:

Payment of wages by employers.

Basis of assessment:

Monthly wage bill.

Tax payable by:

Enterprises.

Exemptions:

Austrian Federal Railways, health and social welfare services; allowance of OS 15 000 up to a basis of assessment of OS 20 000.

Collection:

Monthly self-assessment procedure.

Rate:

3% of the monthly wage bill.

Employer's contribution

(Dienstgeberbeitrag)

Equalization of Family Burdens Law, BGBl No 376/1967, as last amended by BGBl No 297/1995.

Beneficiary:

The federal government (Family Burdens Equalization Fund).

Contribution payable on:

Payment of wages by employers.

Basis of assessment:

Monthly wage bill.

Contribution payable by:

Employers.

Exemptions:

The Federal Government, the *Länder* governments, the local authorities and public hospitals; allowance of OS 15 000 up to a wage bill of OS 20 000.

Collection:

Monthly self-assessment procedure.

Rate:

4.5% of the monthly wage bill.

Donation levy
(*Zuwendungsagabe*)

Article II of the Law amending the Income Tax Law, BGBl No 391/1975.

Beneficiary:

The federal government.

Subject of taxation and basis of assessment:

Donations by professional, trade and other associations to political parties and to organizations closely connected with a political party.

Levy payable by:

The association in question.

Exemptions:

None.

Collection:

Self-calculation procedure.

Rate:

15% of the donation.

FINLAND

Suomi/Finland

State income taxes

(Valtion tuloverot/Inkomstskatter till staten)

Income Tax Act of 30 December 1992 (1535/92)

Beneficiary:

The State.

1. State income tax on earned income

Tax payable by:

Resident individuals and estates of deceased persons.

Basis of assessment:

The ordinary taxable earned income: salaries, wages and pensions, earned income share of business income and income from agriculture as well as the earned income share of income from partnerships, the earned income share of dividends distributed by non-listed companies, scholarships and awards.

Exemptions:

Certain pensions and social benefits, most inheritances and gifts, amounts received as maintenance for a child, major national and international awards, most scholarships, distributions of profits to partners of a partnership over and above the amount that has been taxed as the partners' income, income derived by a resident individual from employment abroad lasting at least six months, certain compensation for specific expenses paid to persons serving at Finnish diplomatic missions or consular posts, indemnifications in certain cases, daily allowances and travelling allowances, certain benefits provided by the employer for the personnel, income from certain natural products.

Deductions:

All expenses incurred in acquiring and maintaining chargeable income (natural deductions) and also the following deductions:

- employees' obligatory pension insurance contributions and the unemployment insurance contribution;
- subject to certain restrictions, premiums paid by a taxpayer for voluntary pension insurance up to FMK 50 000;
- a standard deduction for work-related expenses;
- a deduction granted to sailors and deductions granted to forestry workers;

FI 1

- an adaptability allowance for farmers;
- a discretionary allowance for circumstantial incapacity to pay taxes.
- pension income allowance.

Married couples:

Married persons are taxed separately both on earned income and investment income. Minors are taxed on their own income, separately from their parents.

Non-residents:

Non-residents are taxed on their income in Finland according to the Act on withholding tax on non-resident's income.

Collection:

The employer is obliged to withhold an advance payment on salaries and wages.

Rates:

The tax on earned income is levied according to a progressive tax scale decided annually by Parliament. The rates of tax for the year 1994 are as follows:

Taxable income FMK	Basic tax amount FMK	Rate within brackets (%)
41 000 to 57 000	50	7
57 000 to 71 000	1 170	17
71 000 to 100 000	3 550	21
100 000 to 157 000	9 640	27
157 000 to 280 000	25 030	33
280 000 +	65 620	39

Special features:

Partnerships are not taxed separately.
Income spreading is applied in certain cases.

Losses:

Losses in the category of earned income are deductible from the earned income during the 10 years following the tax year. Deficit in the category of investment income is also deductible from the earned income.

2. Tax on investment income

Beneficiary:

The State.

Tax payable by:

Residents individuals and estates of deceased persons.

Basis of assessment:

The tax on investment income is levied on the proceeds from capital, capital gains and other income yielded by assets: interest and rental income, dividends from companies listed on a stock exchange, benefit from a life insurance policy, income from forestry (if the taxpayer has opted for taxation on the basis of net income), distributions by investment funds, income from patents or copyrights if the patents or copyrights have been inherited or received under a will or acquired for a financial consideration, income from the sale of materials taken from the ground.

In addition, the category of investment income includes the investment income share of certain types of income, such as dividends from companies not listed on a stock exchange, profits from business (income from a partnership or the income of a sole proprietor), agricultural income. The share is calculated annually on the basis of the net wealth of an enterprise and is, at most, 15% of the net wealth.

Exemptions:

Interest income on many bank accounts and certain bonds.

A capital gain derived from the sale of the taxpayer's own flat or house if the flat or house has served uninterrupted as the taxpayer's or his family's permanent home for at least two years prior to the sale. The annual gain from the disposal of household effects is exempted if it does not exceed FMK 30 000.

Deductions:

The taxpayer is entitled to deduct from investment income all expenses incurred in acquiring and maintaining such income (natural deductions).

The taxpayer has a right to deduct his interest expenses only from investment income. The interest expenses are deductible if the debt is related to the acquisition of taxable income or the acquisition or repair of the taxpayer's or his family's permanent dwelling. The interest on study loans guaranteed by the Finnish State is also deductible. The amount of deductible interest is unlimited. The taxpayer has a right to deduct exchange losses on foreign currency debts taken for acquiring or maintaining income as natural deductions. Exchange losses relating to debts taken for acquiring income which is subject to the tax withheld at source from interest is not deductible.

The taxable capital gain is calculated by deducting the acquisition costs and sale costs from the sale price. A minimum deduction of 30% of the sales price is applied. If the property has been acquired before 1989, the minimum deduction is 50%. If the property has been received without

FI 1

financial consideration, the acquisition cost is the value which has been used in determining the inheritance and gift tax.

Losses:

The concept of loss in the current tax system has several meanings. The loss of earlier tax years in the category of investment income is deducted from the investment income of the tax year according to the carry-forward principle during the 10 years following the loss year. Losses from business profits or agricultural income sources are deducted from the investment income of the same tax year if the taxpayer or, in the case of spouses, both spouses so demand; otherwise the losses are carried forward for 10 years and set off against income from the same source.

Capital losses may only be set off against capital gains arising in the same year and the following three years. Unlike capital gains, they are not taken into account when calculating the deficit in the category of investment income. Losses arising from the disposal of the permanent home and household effects are not deductible.

Special features:

If the amount of natural deductions, deductible interests, earlier losses and losses for the tax year from business profits and sources of agricultural income which the taxpayer demands to be deducted, exceeds the amount of investment proceeds for the tax year, the excess is the deficit in the category of investment income.

A taxpayer is entitled to a credit for the deficit against his income tax on earned income. The amount of the deficit for which credit cannot be given is converted into a loss for the tax year and, as such, can be carried forward and deducted from investment income over the next 10 years.

Collection:

By annual assessment.

Rate:

The tax on investment income is levied at a flat rate of 25%.

Communal tax

(Kunnallisvero/Kommunalskatt)

Income Tax Act of 30 December 1992 (1535/92).

Beneficiaries:

The municipalities.

Tax payable by:

Residents of the municipality in question.

Basis of assessment:

The earned income of individuals and the estates of deceased persons (see under 'State income tax on earned income').

Exemptions:

See under State income tax on earned income.

Deductions:

All expenses incurred in acquiring and maintaining income (natural deductions). Other deductions include:

- employees' obligatory pension insurance contributions and the unemployment insurance contribution;
- subject to certain restrictions, premiums paid by a taxpayer for voluntary pension insurance up to FMK 50 000;
- a standard deduction for work-related expenses;
- a deduction granted to sailors and deductions granted to forestry workers;
- an adaptability allowance for farmers;
- a discretionary allowance for circumstantial incapacity to pay taxes;
- earned income allowance;
- pension income allowance;
- disabled person's allowance;
- student grant allowance;
- a basic allowance for taxpayers with a small income.

Collection:

The employer is obliged to withhold an advance payment on salaries and wages.

F12

Rates:

Communal (municipal income) tax is levied at flat rates. The tax rate is set annually in advance for the following year in each municipality by the municipal council on the basis of the municipal budget. For 1994, the tax rate varies between 15 and 20% according to the municipality, with an average rate of 17.53%.

Church tax

(Kirkollisvero/Kyrkoskatt)

Income Tax Act of 30 December 1992 (1535/92).

Beneficiaries:

The local communities of the Evangelical-Lutheran and the Orthodox Churches.

Tax payable by:

Individuals who are members of the local communities of the Evangelical-Lutheran and the Orthodox Churches.

Rates, basis of assessment and collection:

The rates vary between 1 and 2%, the average rate for 1994 being 1.3%. The church tax is levied on the same taxable income as determined for communal tax purposes. The tax is collected jointly with communal income tax.

Employers' social security contributions

(Työnantajan sosiaaliturvamaksut/Arbetsgivarens socialskyddavgifter)

Act on employers' social security contributions of 4 July 1963 (366/63), Act on National Pensions of 8 June 1956 (347/56), Act on unemployment contribution in 1994 of 3 December 1993 (1099/93).

Beneficiaries:

Social Insurance Institution, Central Fund of the Unemployment Funds, Pension Security Centre, and insurance companies.

Tax payable by:

Employers.

Basis of assessment:

Salaries and wages subject to withholding.

Collection:

By withholding.

Rates:

For 1994, the private employer's health insurance contribution is 1.45%. The national pension contribution varies between 2.4 and 4.9% according to the amount of depreciation allowances. For the State, the province of Åland, the municipalities, communal enterprises and the local communities of the Evangelical-Lutheran and the Orthodox Churches, the rate of national pension contribution is 3.95%. The health insurance contribution is 2.7% for the State, municipalities, communal enterprises and the province of Åland. In the case of the local communities of the Evangelical-Lutheran and the Orthodox Churches the health insurance contribution is 7.7%.

The unemployment insurance contribution varies between 3.0 and 6.3% depending on the total amount of the salaries and wages.

The private employers' pension insurance contribution is 15.6%. For the State, the corresponding contribution is 22.0% and for the municipalities it is 18.9%. For farmers and sole proprietors, the contribution is 19.4%.

Special features:

The accident insurance contribution is 1.2% and the group life insurance contribution is 0.1%.

Employees' social security contributions

(Työntekijän sosiaaliturvamaksut/Arbetstagares socialskyddsavgifter)

Act on health insurance of 4 July 1963 (364/63), Act on national pensions of 8 June 1956 (347/56), Act on employees' unemployment contribution in 1994 of 3 December 1993 (1097/93)

Beneficiaries:

Social Insurance Institution, Central Fund of the Unemployment Funds, Pension Security Centre, Farmers' Pension Institution, and insurance companies.

Tax payable by:

Employees and retired persons.

Farmers, partners in partnerships, and sole proprietors are liable to the same contributions as employees.

Basis of assessment:

The contributions are levied on the same taxable earned income as determined for the calculation of communal income tax.

In the case of farmers, partners and sole proprietors, these contributions are calculated on the basis of earned income (in contrast to the investment income).

In the case of retired persons the pension income.

Non-residents:

Non-residents are, in some cases, exempted from these contributions (the definition of residence does not follow the definition used in income tax legislation).

Rates:

The rate of the national pension contribution for employees is 1.55% and the rate of the health insurance contribution is 1.9% up to the taxable earned income of FMK 80 000 and 3.8% of the excess thereafter. These contributions are also collected from retired persons. In addition, retired persons have to pay 1% of the additional national pension contribution and 3% of the additional health insurance contribution.

Employees' unemployment insurance contribution is 1.87%. Employees' pension insurance contribution is 3.0%. These contributions are deductible from the chargeable income when calculating the taxable income for State income tax on earned income, communal tax and church tax as well as for calculating other social security contributions.

Special features:

Separate pension insurance contributions are applied to farmers and sole proprietors. The rate is 19.4%.

Corporate income tax

(Yhteisöjen tulovero/Samfundts inkomstkatt)

Income Tax Act of 30 December 1992 (1535/92); Act on the taxation of business profits and income from professional activities of 24 June 1968 (360/68).

Beneficiaries:

The State, 12.96 percentage units (51.84%), the municipalities 11.20 percentage units (44.8%) and the local communities of the Evangelical-Lutheran and the Orthodox Churches 0.84 percentage units (3.36%).

Tax payable by:

All resident corporate bodies and resident individuals with professional activities.

Basis of assessment:

Annual business profits and income from professional activities.

Exemptions:

Capital paid up by shareholders, refunds of income taxes (but not interest on the tax refunded) and distributions from partnerships. Connection charges collected by companies which maintain electricity, telephone, water, sewage or district heating systems are exempt from tax, provided that these charges are refundable to the payer or entitle the payer to benefits which are transferable to a third party.

From 1992 to 1995, interest accrued but not received on bad debts in savings banks and credit institutions is also exempt.

Actual distributions made by the partnership do not constitute taxable income.

Deductions:

In general, expenses are deductible if they are incurred for the purpose of acquiring or maintaining income. The fact that it was the taxpayer's intention to incur a particular expense for this purpose is usually the decisive test for deductibility.

Only 50% of entertainment expenses are deductible. Interest paid on loans obtained for business purposes is deductible; however, that part of the interest corresponding to the entrepreneur's private use (in partnerships and sole proprietorships) which exceeds profits derived from business activities (calculated on the basis of detailed rules) is not deductible.

The following expenses are not deductible: income and capital (net wealth) taxes; salaries, wages, pensions and other remuneration paid to a spouse or other member of the family under the age of 14; connection charges collected by companies which maintain electricity, telephone, water, sewage or district heating systems provided that the charges are refundable to the payer or entitle the payer to benefits which are transferable to a third party; expenses incurred for the purpose

of acquiring or maintaining tax-exempt income (the part which exceeds the tax-exempt income is deductible); expenses incurred for the purpose of acquiring or maintaining income which is exempt in Finland under a double taxation agreement — this rule also applies when the expenses would otherwise be deductible under the Income Tax Act, the Act on the taxation of farm income or the act on the taxation of business profits and income from professional activities.

Special features:

Avoir fiscal system (imputation credit system) with a compensatory tax is applied. The tax refund of the imputation credit is not allowed.

Contributions between affiliated companies are allowed under certain conditions.

Deduction of losses:

Losses are carried forward and set off against income from the same source in the subsequent 10 tax years. Losses are deducted in the order in which they are incurred. The right to deduct losses is limited in cases where more than 50% of the shares of a company are sold during the year in which a loss is recorded or thereafter. A similar rule is applied to mergers.

Collection:

By annual assessment and advance payments.

Rate:

25%.

Net wealth tax (capital tax)

(Varallisuusvero/Förmögenhetsskatt)

Act on tax on net wealth of 30 December 1992 (1537/92).

Beneficiary:

The State.

Tax payable by:

Individuals who are resident in Finland at the close of the calendar year are subject to capital tax in Finland on their worldwide net wealth.

Basis of assessment:

The taxpayer's total wealth. The taxpayer's liabilities are deducted from his or her gross assets. Although taxation of total wealth is the general principle, several concessions are made by granting tax exemption for certain types of assets. Chargeable assets include, *inter alia*, the following items: the right to possession or use of real property; the right to the earnings from forest land or any other right to use another person's real property; rights to pensions or annuities payable for life or a predetermined period of time, or the right to the earnings from real property (provided that the annual earnings exceed FMK 2 500); intangibles (e.g. patents, copyrights and trade-marks); under certain conditions, a partner's share in the net wealth of resident and non-resident partnerships.

Capital tax is assessed annually on the basis of net wealth at the end of the calendar year. The taxpayer's assets are valued at the current prices that they had in the hands of the owner and at the place where they were located. Specific valuation criteria are applied to certain assets (building agricultural land, shares in limited companies).

Married persons and minors:

Spouses are taxed separately, whereas the taxation of minors is based on the principle of joint taxation. The assets of minors and the assets of the parent with higher taxable assets are aggregated and their total liabilities deducted.

Exemptions:

The State and its institutions, the Bank of Finland; the Social Insurance Institution, the Regional Development Fund Ltd, the Fund for Industrial Cooperation Ltd (Finnfund); the Nordic Investment Bank (NIB), the Nordic Project Export Fund (NOPEF); the Nordic Development Fund; the Nordic Environment Finance Corporation (NEFCO); the municipalities and joint municipal authorities, the Evangelical-Lutheran and the Orthodox Churches, and other registered religious communities; State-supported pension institutions; organizations for promoting the public good (e.g. charitable, philanthropic and sporting associations); savings banks, branches of foreign credit

institutions (concerning their assets situated in Finland); investment funds; employee investment funds; domestic limited companies; cooperative societies and other corporate bodies whose shareholders' or members' interests in the company, etc., constitute chargeable assets.

The following assets, *inter alia*, are exempt from tax: furniture and household effects, and other belongings (excluding, *inter alia*, boats, cars and valuables of exceptionally high value) exclusively intended for the personal use of the taxpayer or his family; the right to the most common pensions (specified in law); the right to alimony payments from a divorced spouse or a spouse legally separated or living permanently apart; an interest in the assets of the domestic estate of a deceased person which is taxed as a separate entity; an interest in the assets of a non-resident partnership or a non-resident estate of a deceased person if the assets are situated in Finland; livestock, farm produce, seeds, fertilizers and other similar supplies belonging to the taxpayer's farm; ordinary bank accounts and certain bonds; bank accounts and bonds, the income from which is subject to the tax withheld at source from interest, both those belonging to individuals and those belonging to the domestic estates of deceased persons.

Deductions:

The taxpayer's debts are deducted from his assets when computing taxable net wealth. The amounts deductible are not affected by the existence of exempt assets. Resident individuals are granted a deduction of FMK 10 000 for every child under 17 years of age. The deduction is granted only to the parent with the greater net wealth. A deduction amounting to FMK 50 000 is granted for owner-occupied dwellings.

Collection:

By means of annual assessment.

Rate:

Net wealth tax (capital tax) is levied according to a tax table set annually by Parliament. The rates of tax applicable for the tax year 1994 are as follows:

Taxable net wealth FMK	Basic tax amount FMK	Rate in respect of taxable net wealth in excess of FMK 1 100 000
1 100 000	500	0.9 %

This rate applies to individuals and the estates of deceased persons. The rate of capital tax for corporate bodies is 1%.

Withholding tax on non-residents' income and net wealth

(Rajoitetusti verovelvollisen tulovero ja varallisuusvero/Begränsat skatteskyldiges inkomstskatt och förmögenhetsskatt)

Act on taxation of non-residents' income and net wealth of 11 August 1978 (627/78)

1. Taxation of non-residents' income

Beneficiary:

The State.

Basis of taxation:

Income from investments in Finland and on other income derived in Finland. The following items, *inter alia*, are considered as income derived in Finland: income from real property situated in Finland, income from letting a flat held by virtue of shares in a Finnish residential housing company, capital gains on the sale of real property situated in Finland and capital gains on the sale of shares in a Finnish residential housing company or in any other company, if more than half of the company's total assets consist of real property situated in Finland; profits from a business, agriculture and forestry carried on in Finland and income from professional activities performed in Finland; wages, salaries and pensions paid by the State, a Finnish municipality or any other domestic statutory body, including pensions based on work, duty or service for the State or such municipality or body as well as pensions which are based on pension or traffic insurance taken out in Finland; wages and salaries derived in respect of employment exercised solely or mainly in Finland for an employer in the private sector who is located in Finland; as well as pensions paid in consideration of such employment; remuneration paid to sportsmen or artistes in respect of their activities exercised in Finland or on board a Finnish vessel, and also in those cases where the remuneration is not received by the sportsman or artiste himself; dividends from Finnish limited companies and cooperative societies, including imputation credits, and shares in the income of Finnish partnerships; interest in cases where the debtor is a resident individual or a Finnish corporate body, partnership or undistributed estate of a deceased person; royalties in cases where the property or right in respect of which the royalties are paid is used in a business carried on in Finland or where the person liable to pay the royalties is a resident individual or a Finnish corporate body, partnership or undistributed estate of a deceased person; distributions by investment funds and employee investment funds.

Exemptions:

Interest derived by non-residents on Finnish bonds, debentures and other mass instruments of debt, on loans from abroad not considered as capital investment assimilated to the debtor's own capital, on deposits in banks or other financial institutions and on foreign trade credit accounts owned by non-residents.

Pensions and other benefits paid by the Social Insurance Institution are tax exempt.

Final withholding tax is not levied on dividends paid to a company resident in a Member State of the European Union if the company is not entitled to the Finnish imputation credit and if it directly owns at least 25% of the capital of the distributing company. This rule applies only if the recipient of the dividend is liable to a tax mentioned in subparagraph c of Article 2 of the Council Directive on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States (90/435/EEC).

Deductions:

In the case of students and trainees, special deductions are granted in respect of their income from employment in Finland.

Collection:

Final withholding tax in respect of dividends, distributions by employee investment funds, interest, certain kinds of royalties and income from employment, pensions and certain benefits. Tax is withheld by the payer of the dividends, etc.

Non-resident taxpayers deriving income other than dividends, interest, certain kinds of royalties not effectively connected with a permanent establishment situated in Finland, wages and salaries, and pensions, are preassessed in the same manner as in the case of resident taxpayers. Non-resident taxpayers have to file tax returns in respect of such income and assets.

Rates:

Unless lower rates of tax are provided for in a double taxation agreement, the rate of final withholding tax is 25% for dividends, interest (which is exempt in most cases) and royalties and 35% for income from employment, pensions, sickness and maternity allowances and any compensation for loss of income paid under the Health Insurance Act, a compulsory employment accident insurance scheme or third-party motor insurance. The tax is always computed on the gross amount of the income in the case of dividends, interest, royalties and pensions.

In the case of income subject to income tax assessment, the corporate income tax rate is 25%. The income of individuals is apportioned to investment income and earned income. The corresponding State income tax rates are 25% and 35%.

2. Taxation of non-residents' net wealth

Beneficiary:

The State.

Basis of taxation:

The net value of investments and other assets situated in Finland. The following items, *inter alia*, are regarded as investments in Finland: real property situated in Finland, assets invested in a business carried on or pertaining to a fixed base available for the purpose of performing

FI 8

professional services in Finland, shares in Finnish companies (they are exempted) and participations in Finnish partnerships, debts when the debtor is a resident individual or a Finnish corporate body, partnership or undistributed estate of a deceased person, and property or rights forming the basis for the payment of royalties, where the property or rights are used in a business carried on in Finland or where the person liable to pay the royalties is a resident individual or a Finnish corporate body, partnership or undistributed estate of a deceased person.

Exemptions:

Finnish bonds, debentures and other mass instruments of debt, loans from abroad not considered as capital investment assimilated to the debtor's own capital, deposits in banks or other financial institutions and foreign trade credit accounts owned by non-residents, as well as the interest derived by non-residents on such bonds, debentures, loans, deposits and accounts. Shares in Finnish companies (except for shares in residential housing companies), claims in respect of which interest is paid, and rights forming the basis for the payment of royalties belonging to a non-resident are, however, exempt from capital tax, unless these assets are attributable to a permanent establishment which the non-resident has in Finland.

Deductions:

Non-residents have a right to deduct debts related to assets situated in Finland.

Collection:

By assessment.

Rate:

The assessed capital tax payable by non-resident individuals is levied at a flat rate of 0.9% of taxable net wealth in excess of FMK 800 000.

Inheritance and gift tax

(Perintövero ja lahjavero/Arvsskatt och gåvoskatt)

Inheritance and Gift Tax Act of 12 July 1940 (378/40).

1. Inheritance tax

(Perintövero/Arvsskatt)

Beneficiary:

The State.

Tax payable by:

Heirs (and other beneficiaries).

Basis of assessment:

The market value of the individual share of each heir (beneficiary).

Exemptions:

Cases where the market value of the individual share of the beneficiary does not exceed FMK 15 000.

The value of a right to annual income or on the value of a usufruct (the value of such rights is included in computing the beneficiary's income for income tax purposes).

A taxpayer may demand that part of the inheritance tax is not charged under the provisions concerning the transfer of a business or a farm to a descendant.

Inheritance to the State and its institutions, municipalities, joint municipal authorities, religious communities and non-profit-making organizations.

Deductions:

All debts, including taxes relating to the lifetime of the deceased as well as debts connected with the administration of the estate.

Gift tax paid on inheritance advancements, or gifts falling into this category, is credited against inheritance tax.

The spouse is allowed to deduct FMK 37 500 from the chargeable share of the inheritance.

Minors are allowed to deduct FMK 7 500 plus FMK 1 500 for each whole year they are under 18 years of age.

A disabled child is allowed an additional deduction of FMK 15 000.

FI 9

The spouse and the children of the deceased are granted a deduction from their chargeable shares of the inheritance corresponding to the value of the furniture, etc., in the deceased's home (maximum deduction FMK 15 000 per share).

A person who has been employed by the deceased and has taken care of him or her for at least 10 years prior to his or her death is granted a special deduction of FMK 7 500.

Non-residents:

Inheritance tax is levied on non-resident persons, who receive immovable or movable property situated in Finland as an inheritance. If the deceased was resident in Finland at the time of his death, his movable property situated abroad is subject to tax and the tax is levied also on non-resident persons.

Collection:

The tax is assessed by the local tax offices.

Rates:

These vary according to the family or marriage relationship between deceased and heir and to the amount of the inheritance.

Taxable inheritance or gift FMK	Basic tax amount FMK	Rate within brackets %
15 000 to 37 500	200	6
37 500 to 75 000	1 550	8
75 000 to 150 000	4 550	10
150 000 to 300 000	12 050	11
300 000 to 450 000	28 550	12
450 000 to 750 000	46 550	12.5
750 000 to 1 050 000	84 050	13
1 050 000 to 2 100 000	123 050	13.5
2 100 000 +	264 800	14

These tax class I rates imply the following relationship between the donee or the beneficiary and the donor or the deceased: spouse, child (also concerns the child of the surviving spouse), adopted child, father, mother, adoptive parents and direct heir of a child or an adopted child or in some cases also fiancé(e).

The tax class II rates apply to brother, sister, half sister, half brother (or their descendants) and to a person who has been employed by the deceased and has taken care of him for at least 10 years prior to his death.

The tax class III rates apply to other relatives and all non-related persons.

The tax rate is double in tax class II and triple in tax class III.

2. Gift tax

(Lahjaverot/Gávokatt)

Inheritance and Gift Tax Act of 12 July 1940 (378/40).

Beneficiary:

The State.

Tax payable on:

Gift tax is levied on persons who receive immovable or movable property situated in Finland as a gift. Furthermore, it is levied on beneficiaries resident in Finland, also in respect of movable property situated abroad.

In cases where the financial consideration in a contract of sale or exchange does not exceed three quarters of the current price of the property sold or exchanged, the difference between the current price and the consideration is regarded as a gift.

Basis of assessment:

The market value of the gift.

Exemptions:

Property received under a marriage settlement, or on furniture and effects and clothes received as gifts intended for the beneficiary's or his or her family's personal use and with a value not exceeding FMK 15 000, or on gifts received for the beneficiary's education or maintenance in a form which prevents him or her from using them for other purposes, or on other gifts with a value less than FMK 15 000.

If a person receives two or more gifts other than furniture, etc., from the same donor within a period of two years, the gifts are aggregated for the purpose of computing the FMK 15 000 limit and the gift tax liability.

Non-residents:

Gift tax is levied on non-residents who receive immovable or movable property situated in Finland as a gift.

The gift tax paid by a non-resident in his country of residence on movable property situated in Finland is credited against the gift tax due in Finland on the same property.

Collection:

By the local tax offices on the basis of gift declarations submitted by the receiver.

Rates:

See under 'Inheritance tax'.

Value-added tax

(Arvonlisävero/Mervärdeskatt)

Value-Added Tax Act of 30 December 1993 (1501/93).

Beneficiary

The State.

Basis of assessment:

Value-added tax is paid on the sale of goods and services in the course of business, on the importation of goods from non-EU countries and the intra-Community acquisition of goods taking place in Finland. The supply of goods and services is taxable unless explicitly exempted in the VAT Act. The importation and the intra-Community acquisition of goods are in certain cases exempted from VAT, i.e. if the domestic sale is exempted. The intra-Community acquisition made by exempt enterprises and non-taxable legal persons is not subject to VAT if they acquire goods for a value not exceeding FMK 50 000. In addition, the tax is normally imposed on the enterprise's own consumption of purchased or self-provided goods and services.

Tax payable by:

All individuals and legal persons who sell goods or services as a business. If the annual turnover of the business does not exceed FMK 50 000, no tax is levied. However, the small entrepreneurs may opt for taxation.

Importers of goods.

Persons who carry out the intra-Community acquisition.

Taxable amount:

The taxable amount is the total consideration excluding VAT. The consideration means the price agreed by the seller and buyer, including all surcharges. In the case of imports of goods, the taxable amount is normally the customs value. In the case of own consumption of purchased goods and services, the taxable amount is either the purchase price or, if lower, the market value. The taxable amount of self-provided goods or services is the full cost of production.

Rates:

The normal tax rate is 22% of the taxable amount.

A reduced tax rate of 17% is applied during a transitional period until 31 December 1997 to foodstuffs and animal feed, excluding restaurant services, live animals, drinking water, alcoholic beverages and tobacco products (thereafter 12%).

A reduced tax rate of 12% is applied to cinema performances, sporting facilities, medicines and books.

A reduced tax rate of 6% is applied to passenger transport services, accommodation services, subsidies from the licence fee fund to the Finnish Broadcasting Company and admissions to commercial cultural and entertainment events.

Exemptions:

Without the right to deduction of input tax:

- hospital and medical care, social services, educational services, financial and insurance services;
- royalties due to performing artistes or athletes, the sale of performances to the arrangers and the transfer of copyrights, the sale of visual arts products by the artist and the mediation of such products;
- as a main rule, the sale and rental of real property;
- other (lotteries, cemetery services, etc.).

With the right to refund of input tax:

- the sale of subscribed newspapers, printing of membership publications for bodies governed by public law;
- the sale, lease, repair and maintenance of vessels (excluding those for mainly pleasure purposes);
- the supply of gold to the central bank
- transactions associated with the international trade (the sale of goods transported outside the EU, the intra-Community supply of goods, etc.).

Deductions:

- The tax included in the prices of goods or services purchased from another person liable to tax.
- The tax payable on imported goods.
- The tax payable on the intra-Community acquisition of goods.

The restrictions in deductions concern commodities related to housing provided by employers and to recreational facilities, travelling costs of personnel between home and the workplace, and public relation expenses.

Collection:

The normal tax period is one month. For primary producers, the tax period is one year, but they may opt for application of the normal tax period. The tax payable is the difference between taxes on supplies and deductions attributed to each tax period. The VAT due is to be paid monthly, at latest on the 15th of the second month following the tax period.

Recapitulative statements have to be submitted for each calendar quarter at latest on the 15th of the second month following the calendar quarter.

Special features:

The distance selling threshold is FMK 200 000.

Special schemes are applied to travel agencies and second-hand goods.

The VAT as described here has been applied as of 1 June 1994.

Tax on lottery prizes (*Arpajaisvero/Lotteriskatt*)

Act on tax on lottery prizes of 26 June 1992 (552/92).

Beneficiary:

The State.

Tax payable by:

Persons who hold public lotteries and prize and guessing games in Finland.

Basis of assessment:

The purchase value of the prizes or the proceeds of the lottery.

Collection:

The tax must be paid during the one to two months following the month in which the lottery took place.

Rates:

Rates vary between 1.5 and 30% of the value of the prizes or the proceeds of the lottery depending on the type of lottery.

Special circumstances:

Paid-out prizes are not subject to income tax.

Excessive profits of Veikkaus Oy (Finnish National Lottery Ltd) and Raha-automaattiyhdistys ry (Slot Machine Association) or net revenue on betting

(Valtion osuus veikkausvoittovaroista, raha-arpajaisten voittovaroista ja vedonlyönnistä hevoskilpailuissa saadusta tulosta sekä Raha-automaattiyhdistyksen tuotto/Statens andel av tippningsvinstmedel, av penninglotterivinstmedel och av intäkterna av vadhållning från Veikkaus Oy samt Penningautomatföreningens avkastning)

Raha-automaattiyhdistys ry is a registered association, the members of which are non-profit-making organizations. The association is entitled to maintain slot machines and it is also entitled to run a casino. The excessive profits of the association are annually distributed to non-profit-making organizations to use for charity purposes. The decision on the distribution is made by the government. The annual excessive profits have varied between FMK 1 077 000 000 and FMK 1 107 000 000.

Decree on slot machines of 29 December 1967 (676/67).

Veikkaus Oy (Finnish National Lottery Ltd) is a State-owned company. The government has granted the company a licence to run the national lottery. The excessive profits of the company are annually accounted to the Ministry of Education. The annual excessive profits have varied between FMK 1 430 000 000 and FMK 1 444 000 000.

Decree on Lottery of 8 March 1993 (241/93).

Tax withheld at source from interest

(Korkotulon lähdevero/Källskatt på ränteinkomst)

Act on tax withheld at source from interest of 28 December 1990 (1341/90).

Beneficiary:

The State.

Tax payable by:

Resident individuals and the domestic estates of deceased persons.

Basis of assessment:

The gross amount of interest from domestic bank deposits and from bonds offered for subscription by the public.

Exemptions:

Interest paid by a person other than a bank or an issuer of bonds, and interest which is exempt from taxation under special legislation (certain bank accounts and bonds for 24 to 36 months) are not subject to the tax withheld at source from interest.

Deductions:

No deductions are allowed.

Non-residents:

Non-residents are not liable to the tax.

Collection:

The tax is collected mainly by banks paying the interest.

Rate:

25%.

Special features:

Interest income subject to this tax is not subject to the income tax.

Stamp duty

(Leimavero/Stämpelskatt)

Stamp Duty Act of 6 August 1943 (662/43).

Beneficiary:

The State.

Duty payable by:

The parties to the legal relationship to which the document liable to stamp duty relates.

Basis of assessment:

The consideration agreed in the document; alternatively, the document's face value.

Exemptions:

The transfer of shares and other securities quoted on the stock exchange or on the over the counter list and the transfer of derivative instruments (when the transfer does not take place outside these market places) are not subject to stamp duty.

Various documents, certifications of permits and judgments given by authorities (a cost-based fee is levied).

Municipalities, religious communities and certain other public bodies.

Individuals aged between 18 and 39 years when they purchase their first owner-occupied dwelling.

In the case of a demerger, upon application, the recipient company has a right to an exemption from the stamp duty paid on real estate, a rented plot with a building on it and securities received.

Rates:

Between 1.5 and 6%

Non-residents:

If both parties are residents in Finland, the documents are subject to stamp duty.

If neither of the parties to the transfer is a Finnish resident and if the transfer concerns other shares than shares in a residential housing company resident in Finland, no stamp duty is levied.

In the case of purchasing real property, the buyer always has to pay the stamp duty in order to register his possession of the property.

If one or both of the parties to the transfer are branches of foreign credit institutions in Finland, the transaction is subject to stamp duty.

FI 14

Collection:

By stamping in specially authorized machines with adding mechanism or by paying the stamp duty on a specified bank account.

Real property tax

(Kiinteistövero/Fastighetsskatt)

Act on real property tax of 20 July 1992 (654/92).

Beneficiaries:

The municipality in which the real property is situated.

Tax payable on:

Real property situated in Finland.

Tax payable by:

Persons who own taxable property at the beginning of the calendar year. In the case of residential housing companies and other corporations being the legal owners of their properties, it is the company or corporate body which is liable to the tax.

Basis of assessment:

The taxable value of each property is the value assessed for the wealth tax.

Exemptions:

- Forests and agricultural land.
- Exemptions of an administrative or technical nature with little economic significance.
- Diplomatic and consular property to the extent provided for in international agreements.

Non-residents:

Non-residents are liable to the real property tax.

Collection:

The tax is payable in two instalments if it is FMK 1 000 or more; otherwise in a lump sum.

Rates:

Each municipal council determines annually the applicable tax rates within statutory limits. The rates may vary between 0.1 and 1.8%.

Tax on insurance premiums

(Eräistä vakuutusmaksuista suoritettava vero/Skatt på vissa försäkringspremier)

Act on tax on certain insurance premiums of 20 December 1966 (664/66).

Beneficiary:

The State.

Tax payable by:

The insurer which runs its business in Finland and foreign insurance companies from the European Economic Area mentioned in the Act on free competition in insurance services. If the premium is paid to an insurer which does not carry on its business in Finland, the policyholder is liable to the tax.

Tax payable on:

Insurance premiums when the insured property or other insured interest is situated in Finland or the insured interest is related to activity exercised in Finland.

Basis of assessment:

The premium, net of tax.

Exemptions:

Premiums related to a personal or credit insurance agreement or a reinsurance agreement or transport insurance for imported goods or goods in transit, as well as premiums related to insurance for transport equipment.

Non-residents:

Non-residents (insurers which do not run their business in Finland) are not liable to the tax.

Collection:

The tax is payable monthly.

Rate:

22%.

Fire insurance levy

(Palonsuojelumaksu/Brandskyddsavgift)

Act on fire insurance levy of 20 July 1946 (586/46).

Beneficiary:

The State.

Levy payable by:

Insurance companies and other insurers.

Basis of assessment:

Total gross amount of annual premiums paid for fire insurance policies.

Rate:

3%.

Special features:

The levy is deductible in income taxation.

Tax on telecommunications

(Telepalvelun myynnistä valtiolle suoritettava vero/Teleskatt)

Act on the taxation of telecommunications of 19 November 1993 (961/93).

Beneficiary:

The State.

Tax payable by:

Licensed telecommunications entrepreneurs.

Basis of assessment:

The selling price of a telecommunications service, excluding tax.

Exemptions:

Broadcasting, telecommunications from abroad to Finland and telecommunications passing through Finland.

Non-residents:

Non-residents are not liable to the tax.

Collection:

The tax period is one calendar month and the tax is payable in the second month following the tax period.

Rate:

9%.

Tax on dogs
(Koiraverot/Hundskatt)

Act on dog tax of 29 June 1979 (590/79).

Beneficiaries:

Any municipality that has decided to levy dog tax.

Tax payable by:

The owners of dogs.

Rate:

The maximum amount chargeable is FMK 300 per year.

Credit tax

(Luottovero/Kreditskatt)

Credit Tax Act of 19 January 1990 (48/90).

Beneficiary:

The State.

Tax payable by:

Resident persons. The person who arranges the loan is also liable to the tax.

Basis of assessment:

Loans raised abroad.

Exemptions:

The State, the Bank of Finland and other banks and credit institutions.
Loans related directly to trade in commodities and loans not exceeding FMK 10 000.
Loans which are transferred in connection with a merger and in certain other cases.

Collection:

The tax is payable in the month following the month in which the loan was raised.

Rate:

The rate is 0.5%. If the loan agreement includes an upper credit limit, the tax is imposed on the limit.

Special features:

Credit tax is not levied on loans raised between 1 July 1993 and 31 December 1995.

Tax on charter flights

(Tilauslentovero/Charterskatt)

Act on tax on charter flights of 6 November 1992 (976/92).

Beneficiary:

The State.

Tax payable by:

Travel enterprises business and transport enterprises and their agents.

Basis of assessment:

Travel tickets given to other persons than those liable to tax and under the condition that the charter flight is from Finland to a foreign country.

Exemptions:

Minors, members of the crew and representatives of the aviation authorities.

Collection:

The tax is payable during the month following the month when the flight was realized.

Rate:

The rate is FMK 200 for each charter flight passenger.

Special features:

The Act on tax on charter flights has been abolished and the tax is no longer levied as of 1 January 1995.

Levy on pharmacy

(Apteekmaksu/Apoteksavgift)

Act on levies on pharmacy of 21 February 1946 (148/46).

Beneficiary:

The State.

Levy payable by:

Apothecaries.

Basis of assessment:

The annual turnover (after deducting the VAT) of an apothecary's shop.

Deductions:

One third of the turnover of a branch shop may be deducted and if the turnover of the branch would be less than FMK 300 000, the whole amount of the turnover of the branch may be deducted.

Collection:

The levy is assessed and collected (in one or several instalments) by the National Agency for Medicines.

Rates:

Turnover FMK	Basic levy amount FMK	Rate within brackets (%)
1 766 000 to 2 060 000	-	6
2 060 000 to 2 648 000	17 640	7
2 648 000 to 3 237 000	58 800	8
3 237 000 to 4 122 000	105 920	9
4 122 000 to 5 296 000	185 570	9.50
5 296 000 to 6 475 000	297 100	10
6 475 000 to 7 652 000	415 000	10.25
7 652 000 to 9 713 000	535 650	10.50
9 713 000 to 12 655 000	752 060	10.75
12 655 000 +	1 068 330	11

Seamen's welfare and rescue levy

(Lästimaksu/Lästavgift)

Act on seamen's welfare and rescue levy of 8 May 1936 (189/36).

Beneficiary:

The State.

Levy payable by:

All Finnish vessels which are under registration duty and which are used in international shipping trade, as well as foreign vessels which are used in shipping trade in Finland.

Exemptions:

Certain cases of emergency.

Basis of assessment and rate:

The whole number which shows the tonnage of the vessel multiplied by FMK 0.6.

Collection:

The levy is assessed annually by customs offices.

Plant breeding fee

(Kasvinjalostusmaksu/Växtförädlingsavgift)

Act on promotion of plant breeding activities of 8 December 1977 (896/77).

Beneficiary:

The State.

Fee payable by:

Importers of seeds and persons who have asked for inspections of seeds.

Basis of assessment:

The seeds of plants mentioned below. Also imported seeds are subject to the fee.

Collection:

By the Plant Production Inspection Centre.

Rates:

Cereals and leguminous plants:	FMK 9.5/100 kg.
Grasses:	FMK 57.0/100 kg.
Oleiferous plants and fibre plants:	FMK 120.0/100 kg.
Potatoes:	FMK 3.5/100 kg.

Customs and tariff legislation

(Tulleja ja tariffeja koskeva lainsäädäntö/Lagstiftning om tullar och tariffer)

Beneficiary:

The State.

Duty payable by:

The declarant is responsible for the settlement of the invoice. Equally responsible is the forwarding agent, as well as anyone who has declared the goods and any holder who has lost uncleared goods during their transportation or storage.

Duty due when:

The customs invoice must be settled within 15 days of its date. This concerns both registered and unregistered customers. Until financial settlement of the invoice, no goods will be released to them.

Declaration:

The customs declaration must be submitted within 15 days of the day of the vehicle declaration or a corresponding declaration to the customs authority.

Rates:

Provisions concerning customs duties are laid down in the Customs Tariff Act. The National Board of Customs publishes annually a Customs Tariff Manual, which is based on the Customs Tariff Act. Finland is a medium tariff country, which means that the average duty, weighted for all imports, is 1.4%.

The corresponding figure for dutiable imports is 7.7%.

Exemptions:

The exemption from duty is based either directly on the Customs Tariff Act or on rules of origin (the EFTA, the EC and the Keypso free trade agreement, the GSP), or on special provisions of the Customs Taxation Act and international agreements facilitating the importation of goods. By virtue of the Customs Taxation Act, the following goods may, among others, be exempted:

- luggage and home-coming presents;
- inherited or bequeathed articles;
- personal effects;
- gifts of insignificant value and those to mark a special occasion;
- goods for international organizations;
- news material.

Excise duty on tobacco

(Tupakkavero/Tobaksaccis)

Act on excise duty on tobacco of 7 December 1979 (875/79).

Beneficiary:

The State.

Duty payable on:

Cigarettes, cigars, pipe and other smoking tobacco, snuff, chewing tobacco and cigarette paper in retail form.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rates:

The excise duty consists of a basic duty and an additional duty, both of which are levied on the retail price. The rates for the basic duty are as follows: 20% for snuff and chewing tobacco, 30% for cigars and pipe tobacco and 40% for other tobacco products.

Besides fiscal purposes, the additional duty serves as a means of adjusting the prices of tobacco products. The rate of additional duty ranges from 0.60% of the retail price (cigars) to 24% (snuff and chewing tobacco).

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Products supplied to the authorities as samples for analysis.

Products used in the manufacture of other excisable tobacco products.

Excise duty on sweets

(Makeisvero/Sötsaksaccis)

Act on excise duty on sweets of 7 December 1979 (867/79).

Beneficiary:

The State.

Duty payable on:

Sugar confectionary and chocolate.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rate:

FMK 3.50 per kilogram.

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Sweets used in the manufacture of other products covered by the Act on excise duty on sweets.

Sweets regarded as medicaments.

Excise duty on beer

(*Olutvero/Ölaccis*)

Act on excise duty on beer of 7 December 1979 (877/79).

Beneficiary:

The State.

Duty payable on:

Beer made from malt (heading 22.03 of the Customs Tariff) and including pure (ethyl) alcohol more than 2.8% by volume.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rates:

For taxation purposes, beer is divided into three categories according to its alcohol content as follows:

Tax class	Percentage of ethyl alcohol by volume	Excise duty (% of the retail price)
II	More than 2.8 but not more than 3.7	1 3
III	More than 2.8 but not more than 3.7	3 0
IV	4.7 or more	4 0

An additional duty is levied at a rate of FMK 1 per litre for retail packages of alcohol. The additional duty is not levied if the retail package is covered by the deposit-based return and recycling system approved by the Ministry of the Environment.

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Beer sold for diplomatic use.

Excise duty on alcoholic beverages

(Alkoholijuomavero/Skatt på alkoholdrycker)

Act on excise duty on alcoholic beverages of 7 December 1979 (869/79).

Beneficiary:

The State.

Duty payable on:

All alcoholic beverages, except beer, with an alcohol content of more than 2.8% by volume.

Excise duty payable by:

The State alcohol monopoly.

Declaration and payment:

The declaration has to be filed not later than the 25th day of the following calendar month. The duty has to be paid on or before the 27th day of the following month. The State alcohol monopoly has to pay a certain part of the excise duty in advance in accordance with the conditions laid down by the Ministry of Finance.

Rates:

Excise duty on alcoholic beverages is based on the value of the taxable products. The excise duty is levied at a rate of 40% of the sales of long drinks, 45% of the sales of still wines, 55% of the sales of fortified wines and 60% of the sales of other alcoholic beverages by the State alcohol monopoly during a calendar month including both retail sales and sales to restaurants.

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Products sold for diplomatic use.

Excessive profit of the State alcohol monopoly Alko Oy (Ltd)

(Alko Oy:n ylijäämä/Alko Ab:s årsöverskott)

Act on alcohol of 26 July 1968 (459/68).

Beneficiary:

The State.

Description:

According to the Act on alcohol, the State alcohol monopoly company Alko Oy (Ltd) has to pay its annual excessive profit to the State after deducting a certain amount transferred to a special reserve fund and, at most, 7% dividend on the capital invested in the company. The annual transferred amount has been varied between FMK 1 100 000 000 and FMK 1 500 000 000.

Excise duty on soft drinks

(Virvoitusjuomavero/Läskedrycksaccis)

Act on excise duty on soft drinks of 7 December 1979 (870/79).

Beneficiary:

The State.

Duty payable on:

Fruit juices, spa water and lemonade.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rates:

The basic rate excise duty is FMK 0.27 per litre. The duty on solid ingredients of drinks only (ex 21.06) is FMK 2 per kilogram.

If beverages are in bottles or cans which cannot be returned and refilled, an additional duty is levied. The additional duty is FMK 3 per litre for packing made of glass or metal and FMK 2 per litre for packings made of other material. It is not levied on soft drinks which are packed in retail packing covered by the deposit-based return and recycling system approved by the Ministry of the Environment.

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Products used in the manufacture of other products covered by the Act on excise duty on soft drinks or by the Act on excise duty on sweets.

Excise duty on certain foodstuffs

(Elintarviketuotteiden valmistevero/Accis på livsmedelsprodukter)

Act on excise duty on foodstuffs of 30 December 1993 (1520/93).

Beneficiary:

The State.

Duty payable on:

A great variety of processed foodstuffs ranging from sweets and bakery products to certain soft drinks and alcoholic beverages.

Duty payable when:

The goods are removed from the place of production or imported. If domestic goods are delivered to the home market, the manufacturer can deduct from the excise duty payable an amount equal to the price compensation and the taxpayer does not have to pay any tax.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period of six months when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the abovementioned fiscal period.

As exports are exempt from excise duty, the district customs office pays the price compensation on the goods exported.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rates:

The excise duty on foodstuffs covers the difference between the domestic and world market price of certain agricultural raw materials used in the production of these products. The excise duty is levied at a rate which is equal to the price compensation for all goods subject to excise duty.

The actual rates of excise duty and of price compensation for foodstuffs follow home market and world market prices of agricultural raw materials. The Ministry of Agriculture is entitled to modify the rates of excise duty and price compensation.

Excise duty on fuels

(Polttoainevero/Bränsleaccis)

Act on excise duty on fuels of 17 December 1982 (948/82).

Beneficiary:

The State.

Duty payable on:

Coal, lignite, milled peat, motor spirits, diesel oil, light fuel oil, heavy fuel oil and natural gas in gaseous state.

Duty payable by:

Importers and domestic producers of fuel.

Stock-keepers of fuel.

Recipients of fuel from the State emergency stock.

Any person to whom fuel has been conveyed free of tax unless the fuel has been used for tax-free purposes.

Companies carrying on trade in liquid fuel are liable to pay excise duty on the auxiliary products they add to liquid fuel.

Producers of electricity and district heat and industrial manufacturers of milled peat if the consumption of milled peat exceeds 50 000 MWh per calendar year.

Excise duty payable when:

The goods are removed from the place of production or imported. If products are stored in depots of producers and stock-keepers, excise duty is payable when fuels are removed for consumption.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production or removed from stock-keeper's depot.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production or depot.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rates:

The excise duty on fuels consists of a basic duty and an additional duty, which is based on the coal and energy content of the product.

Customs Tariff heading number	Fuel	Basic duty (FMK)	Additional duty (FMK)
27.01, 27.02	Coal; briquettes, ovoids and similar solid fuels manufactured from coal; lignite		67.2/t
ex 27.03	Milled peat		4.3MWh
ex 27.10	Unleaded motor spirit — basic quality	2.36	0.071/l
	— reformulated	2.31	0.071/l
ex 27.10	Leaded motor spirit — basic quality	2.81	0.071/l
	— reformulated	2.76	0.071/l
ex 27.10	Blending of leaded and unleaded motor spirit — basic quality	2.585	0.071/l
	— reformulated	2.535	0.071/l
ex 27.10	Diesel oil — basic quality	1.10	0.078/l
	— with low sulphur content	0.95	0.078/l
ex 27.10	Light fuel oil	0.042	0.08/l
ex 27.10	Heavy fuel oil	0.025	0.093/kg
ex 27.10	Natural gas		0.065/m ³
ex 27.16	Electricity — produced by nuclear power	0.015	0.06/kWh
	— produced by waterpower		0.02/kWh
	— imported	0.07	0.06/kWh

Exemptions:

Fuel removed from depots for diplomatic use and fuel sold, transferred or imported to a stock-keeper's depot of untaxed fuel or to the State emergency stock, as well as fuel used in certain branches of industrial production, are exempt. Subject to conditions set by the National Board of Customs, fuel used by a vessel or aircraft in foreign traffic or by a fishing boat outside territorial waters is also exempt.

FI 34

Excise duty on edible fats

(Ravintorasvavero/Accis på ätbara fetter)

Act on excise duty on edible fats of 7 December 1979 (879/79).

Beneficiary:

The State.

Duty payable on:

Certain nutritional animal and vegetable oils and fats falling under Customs Tariff headings 15.01 to 15.16 and margarine falling under heading 15.17.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rates:

On the recommendation of the National Board of Customs, the Ministry of Finance is entitled to amend monthly rates, if the world market prices of oils and fats change by more than 2%. The rate of excise duty on edible fats is FMK 4.31 per kilogram, with the exception of the rate for fish oil and rape oil which is FMK 4.01 per kilogram.

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Oils and fats used in the manufacture of products other than foodstuffs.

Oils and fats used in the production of fodder for animals in fur farms.

Oils and fats used in the manufacture of export goods for which no price compensation is paid, as well as oils and fats used in the manufacture of other products covered by the Act.

Excise duty on sugar

(Sokerivero/Sockeraccis)

Act on excise duty on sugar of 7 December 1979 (872/79).

Beneficiary:

The State.

Excise duty payable on:

Beet sugar and cane sugar, solid, falling under Customs Tariff heading 17.01; sugar and sugar products falling under heading 17.02, excluding lactose, caramel and starch syrup in which the reducing sugar content expressed as dextrose of dry weight is less than 60%; syrup with added flavour or colour falling under heading 21.06.

Excise duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rate:

The excise duty on sugar is levied at a rate of FMK 1.17 per kilogram.

Excise duty on fertilizers

(Lannoitevero/Accis på gödselmedel)

Act on excise duty on fertilizers of 7 December 1979 (881/79).

Beneficiary:

The State.

Duty payable on:

Certain fertilizers on the basis of their phosphorus and nitrogen content.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rates:

Fertilizers containing 2% or more by weight of phosphorus are liable to excise duty of FMK 1.70 per kilogram and fertilizers containing more than 2% of nitrogen are subject to a rate of FMK 2.60 per kilogram on the nitrogen contained in the fertilizer.

Excise duty on fat and protein feed

(Rehujen rasva- ja valkuaisvero/Fett- och proteinaccis på foder)

Act on excise duty on fat and protein feed of 21 December 1990 (1162/90).

Beneficiary:

The State.

Duty payable on:

Certain protein feeds and fat feeds with a fat content of more than 5% are subject to excise duty on fat and protein feed provided that they are used for animal food. These products include soya beans, colza and rape seeds, sunflower seed, maize gluten and fishmeal.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production.

The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production.

The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rate:

The excise duty is levied at a rate of FMK 1.90 per kilogram of crude fat or protein contained in the feed.

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Feeds used in the manufacture of products subject to the Act.

Feeds used for animal food in fur farming or fish farming.

Feeds used for pets.

Oil waste duty

(Ölryjätemaksu/Oljeavfallsavgift)

Act on oil waste duty of 5 December 1986 (894/86).

Beneficiary:

The State. The revenue yielded by the duty is used to cover the expenses caused by the treatment of oil waste.

Duty payable on:

Lubricating oils and solid lubricants (greases) falling under Customs Tariff heading 27.10 D and lubricating preparations falling under headings 34.03.19.00 and 34.03.99.00.

Duty payable when:

The goods are removed from the place of production or imported.

Declaration and payment:

The declaration has to be filed not later than the 18th day of the calendar month following the fiscal period, which is the month when the products were taken from the place of production. The duty has to be paid on or before the 27th day of each calendar month following the month in which the products have been removed from the place of production. The duty on imported goods becomes due on entry and is payable similarly to customs duties, i.e. before goods are released for free circulation. Registered customers may, however, by providing security, obtain an extension of the payment time limit.

Rate:

The duty is levied at a rate of FMK 0.25 per kilogram.

Exemptions:

Products which are either exported or placed in a free zone, customs warehouse or duty-free shop.

Products used in the manufacture of products subject to the Act.

Products used in the manufacture of export goods, except for lubricating purposes.

Emergency stocks fee

(Varmuusvarastointimaksu/Säkerhetsupplagsavgift)

Act on emergency stocks fee of 29 December 1983 (1105/83).

Beneficiary:

Emergency Stocks Fund.

Fee payable on:

Certain fuels and raw materials.

Procedural rules:

The procedural rules applied to excise taxation are also applied to the emergency stocks fee, though this fee cannot really be regarded as an excise duty.

Rates:

Customs Tariff heading number	Product	Fee
ex 27.04	Coke and semi-coke coal or lignite	FMK 8.80/t
ex 27.10	Motor spirit, excluding jet fuel	FMK 0.043/l
ex 27.10	Diesel oil, light fuel oil	FMK 0.023/l
ex 27.10	Heavy fuel oil	FMK 0.019/kg
ex 31.04	Potassium chloride	3% of the customs value or the selling price (without VAT) of the product
ex 40.02	Synthetic rubber	"
55.03	Synthetic staple fibres	"
ex 72.02	Certain ferro-alloys	"
ex 72.10 or 72.12	Plate plated or coated with tin	"
ex 85.45	Carbon electrodes	"

FI 40

Oil damage duty

(Öljysuojamaksu/Oljeskyddsavgift)

Act on oil damage duty (379/74).

Beneficiary:

Oil Damage Fund. The revenue yielded by the duty is used to cover the expenses caused by oil damages.

Duty payable on:

Oils falling under Customs Tariff headings 27.07, 27.09 and 27.10.

Duty payable when:

The goods are declared for importation or passed through the customs territory of Finland.

Procedural rules and exemptions:

Rules applied to customs taxation are also applied to the oil damage duty.

Rates:

The duty is levied at a rate of FMK 2.20/t. The duty is levied at a rate of FMK 4.40/t, if oils are transported by a tanker which does not have a double bottom.

Car tax

(Auto- ja moottoripyörävero/Bil- och motorcykelskatt)

Act on tax on cars and motor cycles of 14 November 1967 (482/67).

Beneficiary:

The State.

Tax payable on:

The tax is levied on the following vehicles registered in Finland:

- passenger cars,
- delivery vans,
- other motor cars, etc. weighing less than 1.800 kg,
- motor cycles.

Tax payable when:

The goods are manufactured or imported.

Declaration and payment:

The tax on manufactured goods is payable similarly to turnover tax. The tax on imported goods becomes due on entry and is payable similarly to customs duties.

Exemptions:

The following vehicles, *inter alia*, are exempt:

- fire engines, ambulances and lorries;
- three-wheeled delivery cycles, cycles for disabled persons and mopeds;
- cars for disabled persons may be exempted on application.

According to customs rules, a vehicle may temporarily be imported free of taxes and other customs fees. The period of time allowed for using a vehicle free of tax on the basis of temporary importation is one year.

Similarly, according to customs rules, a passenger car or a motor cycle may be imported into Finland free of tax as a removal good if the vehicle has been owned by the person who immigrates to Finland or his or her spouse for at least a year and the vehicle has also been used for the same time. This exemption also requires that the vehicle has been purchased with funds that the immigrant or his or her spouse has earned abroad. If the immigrant has earlier imported another passenger car or motor cycle it must have been used in Finland for two years calculated from the day of customs clearance before a new vehicle may be imported free of tax. The time limit of two years is also applied if the immigrant wishes to sell his or her imported vehicle in Finland without tax consequences.

FI 41

Rates:

The amount of the tax is the taxable value of the vehicle, excluding motor cycles, plus 2% less FMK 4 600. The deduction is subject to the condition that the tax must be at least 50% of the taxation value of the car. Cars with low emissions are allowed a special deduction of FMK 4 500, which is made from the taxable value of the car.

The taxation value is the customs value in the case of imported cars and ex-factory price in the case of cars manufactured in Finland.

Imported second-hand cars are taxed at a rate of 90% of the tax on a similar new car. If at least 25 years have elapsed from the date of manufacture of the car at the time it is imported into Finland, the rate of tax is 30% of the value of the car.

For delivery vans designed exclusively for use for the transport of goods, the tax is under certain conditions 35%.

Motor cycles are taxed on the basis of engine capacity as follows:

Engine capacity (cc)	Rate of tax as a percentage in cubic centimetres
Up to 130	20
131 to 255	30
256 to 355	40
356 to 505	50
506 to 755	60
756 or more	70

Imported second-hand motor cycles which are at least 25 years old are taxed at a rate of 30% of the corresponding tax rates for new motor cycles.

Tax on diesel-driven vehicles

(*Moottoriajoneuvovero/Skatt på motorfordon*)

Act on tax on diesel-driven vehicles of 30 December 1966 (722/66).

1. Tax on diesel-driven vehicles

Beneficiary:

The State.

Tax payable on:

Vehicles registered in Finland and using fuel other than petrol, i.e. diesel oil, kerosene, liquefied petroleum gas or electricity, as well as vehicles equipped with gas producing equipment.

Payment:

Annually. If a vehicle is registered for only part of the year, the tax is reduced accordingly.

Exemptions:

Certain vehicles owned by the State, fire engines, ambulances and lorries under 12 000 kg of own weight, cars used by embassies and diplomats (under the condition of reciprocity) and buses are, *inter alia*, exempt.

Rates:

For passenger cars, FMK 150 /100 kg of the total weight or a fraction thereof.

For tourist (caravan) cars and delivery vans, FMK 27 /100 kg.

For two-axled lorries and special-purpose vehicles FMK 27 /100 kg up to 14 000 kg, and FMK 54 for each additional 100 kg; special rates apply to two-axled lorries approved and used for traction of semi-trailers (FMK 51 /100 kg) and for two-axled lorries approved and used for traction of trailers proper (FMK 54 /100 kg).

For lorries or special-purpose vehicles with bogie construction or with three or more axles FMK 36 /100 kg up to 19 000 kg and FMK 63 for each additional 100 kg; special rates apply to lorries with bogie construction approved and used for traction of semi-trailers (FMK 48/100 kg), for lorries with bogie construction and for lorries with three or more axles approved and used for traction of trailers (FMK 54 /100 kg).

2. Road tax on motor vehicles registered abroad

Act on tax on diesel-driven vehicles of 30 December 1966 (722/66), Article 34.

Beneficiary:

The State.

Tax payable on:

Motor vehicles registered abroad and using fuel other than petrol, if they are used temporarily in Finland.

Payment:

On arrival in Finland.

Exemptions:

Vehicles registered in a State which is a party to the Geneva road traffic conventions are exempt from the flat rate-tax.

Finland has granted reductions or exemptions through bilateral agreements with several States or through decisions by the Ministry of Finance.

According to customs rules, a vehicle may temporarily be imported free of taxes and other customs fees. The period of time allowed for using a vehicle free of tax on the basis of temporary importation is one year.

Rates:

A flat rate tax for everyday of use and a tax based on the number of kilometres travelled in Finland are as follows:

Vehicle	Flat-rate tax FMK/day	Kilometre tax FMK/Km	Minimum kilometre tax FMK/day
Delivery van	80	0.50	200
Bus	90	0.90	360
Lorry	150	2.40	960
Trailer of a lorry	90	0.90	360

Fuel fee

(Polttoainemaksu/Bränsleavgift)

Act on fuel fee of 13 April 1993 (337/93).

Beneficiary:

The State.

Fee payable on:

Diesel-driven lorries, vans and buses using light fuel oil instead of gas oil (diesel oil).
Vehicles registered in Finland are not liable to pay the fee, if the tax for diesel-driven vehicles is paid according to the Act on tax on specific motor vehicles.

Fee payable by:

The owner of the vehicle.

Declaration and payment:

The Motor Vehicle Administration must be contacted before light oil is used in the vehicle.
The fee has to be paid within 30 days of the assessment.
If the fee has not been paid, and it is detected that fuel subject to a lower taxed fuel is used in the vehicle, the charge levied is tripled, and the vehicle cannot be taken out of Finland before the fee has been paid or an acceptable security furnished.

Rates:

Vehicle	Fee FMK/day
Lorry	1 000
Bus	750
Van	500

FI 44

Tax on certain vehicles

(Eräistä ajoneuvoista suoritettava ajoneuvovero/Fordonsskatt på vissa fordon)

Act on tax on certain vehicles of 18 February 1994 (135/94).

Beneficiary:

The State.

Tax payable by:

Owners of passenger cars, vans and special-purpose cars.

Basis of assessment:

Passenger cars, vans and special purpose cars, which have a maximum unladen weight of 3 500 kg if the vehicle has been registered in Finland and is used there in traffic.

Exemptions:

Museum cars.

Collection:

The tax is paid by buying an adhesive tax stamp that is fixed to the windscreen.

Rate:

For 1994, the tax is FMK 500 on vehicles registered on or after 1 January 1994; otherwise it is FMK 300.

Import levies

(Tuontimaksut/Importavgifter)

Act on import levies of 30 December 1993 (1519/93).

Beneficiary:

The State.

Levies payable on:

Most agricultural commodities imported into Finland.

Declaration and payment:

Import levies become due on entry and are payable similarly to customs duties.

Rates:

Import levy is based on the difference between the world market price and the domestic target price of the commodity.

Exemptions:

Products used in certain branches of industrial production and products used in the manufacture of export goods are, *inter alia*, exempt.

Hunting and fishing licences

(Metsästys- ja kalastusmaksut/Jakt- och fiskeavgifter)

1. Game management fee and hunting licence

(Riistanhoitomaksu ja pyyntilupamaksu/Jaktvårdsavgift och jaktlicensavgift)

Act on game management fee of 28 June 1993 (616/93).

Beneficiary:

The State.

Payable by:

In the case of the game management fee, all game hunters. As for the deer hunting licence, all persons who hunt animals of the deer family (*Cervidae*). The licence may be extended to include animals under the threat of extinction by decision of the authorities.

Rates:

The annual game management fee is FMK 110. The price of hunting licence varies between FMK 50 and FMK 500 according to the age of the prey.

2. Fishing management fee

(Kalastuksenhoitomaksu/Fiskevårdsavgift)

Act on fishing of 16 April 1982 (286/82).

Beneficiary:

The State.

Payable by:

All persons who fish or catch crayfish.

Exemptions:

Anglers.

Rate:

The annual fish management fee is FMK 80. There is no longer a separate fee for ice fishing.

Forest management fee

(Metsänhoitomaksu/Skogsvårdsavgift)

Act on forest management associations of 17 November 1950 (558/50).

Beneficiaries:

Forest management associations.

Fee payable by:

Forest owners in the municipality where the forest is situated.

Basis of assessment:

The annual increment of the forest. The deductions for taxation purposes are not taken into account.

Exemptions:

Cases where the annual increment of the forest does not exceed 20 m³.

Collection:

Assessment and collection by the local tax offices.

Rates:

The rate varies between 2 and 6% of the annual increment. If the management of the forest is well organized by the owner, the rate is only one quarter of the ordinary rate.

FI 48

Channel due (fairway due)

(Väylämäksu/Farledsavgift)

Act on channel due of 30 December 1980 (1028/80).

Beneficiary:

The State.

Due payable by:

Persons engaged in shipping in Finnish territorial waters using a registered Finnish or foreign vessel.

Basis of assessment:

Tonnage of the vessel up to 70 000 tonnes.

Exemptions:

Vessels used only in inland water transport, vessels owned by the State, certain emergency cases, etc.

Collection:

By customs districts.

Rates:

The basic rate FMK 26.55 is multiplied by the whole number which indicates the tonnage of the vessel. If the whole number of the tonnage of the vessel is less than 1 000, the due is half of ordinary basic rate. The channel due is levied annually.

As for foreign vessels, the due is levied as a single payment (one-time payment) when the vessel leaves for abroad and comes from abroad. The basic rate varies between FMK 4.35 and FMK 17.2 according to the classification of the foreign vessel. This basic rate is then multiplied by the whole number which indicates the tonnage of the vessel (up to 70 000 tonnes).

Taxes abolished or repealed

The equalization fee on agricultural products, levies on marketing of certain foodstuffs, and milk quota charges were part of the Finnish agricultural system and were no longer levied after Finland joined of the European Union. They were levied for the last time in 1994.

The equalization tax was no longer levied in 1994.

SWEDEN
Sverige

Income tax (employment)

(Inkomstskatt)

Municipal Income Tax Act (1928:370), Articles 31 to 33;
National Income Tax Act (1947:576), Articles 2 and 8 to 10.

Beneficiaries:

The municipalities and the government.

Tax payable by

Resident individuals and individuals who have an habitual abode in Sweden.

Basis of assessment:

Income tax is levied on salaries, wages, pensions and other similar remunerations derived by an individual. Tax is based on total income, expenses deducted, received during the year.

Collection:

The employer withholds and delivers preliminary tax to the tax authorities. The final tax is based on the tax return.

Deductions:

Old-age pension insurance premiums and other periodical allowances may within certain limits, be deducted from the total earned income.

Resident individuals are entitled to a basic deduction.

Rates:

The municipal tax average is around 30% depending on the municipality.

National income tax is SKR 100 and on income earned in 1995, 25% of that part of the taxable income that exceeds a threshold of SKR 203 000.

Restricted tax liability:

Non-resident individuals are, according to a separate Income Tax Act (1991:586), liable to a tax of 25% at source.

SE 2

Corporation tax

(Inkomstskatt för juridiska personer)

National Income Tax Act (1947:576), as promulgated on 26 July 1947, Articles 2, 7, 10a and 16, as last amended by the 1994 Tax Amendment Laws (1994:1859) and (1994:1860) of 20 December 1994.

Beneficiary:

The government.

Tax payable by:

Unrestricted tax liability:

All legal persons, except estates and legal persons mentioned below.

Restricted tax liability:

The following are liable to corporation tax with restrictions:

Foreign companies and other foreign legal persons for income derived from a permanent establishment or immovable property in Sweden.

Basis of assessment:

Tax is calculated on total income received during the year.

Exemptions:

The government, the municipalities, the National Pension Insurance Fund, pensions and similar social funds, foundations and funds which according to their charters, statutes or memoranda of association and their actual management are conducted for non-profit-making, charitable or religious purposes and equivalent associations.

Reserves:

A tax-free reserve of 25% of the annual income is permitted for a period of five years.

Deduction of losses:

Losses which are not offset by positive income when the total amount of income is determined may be deducted in the succeeding years.

Collection:

By annual assessment.

Rates:

Standard rate	28%
Securities fund	30%

Tax on distributed profits:

Profits of a joint stock company not taxable when received by a company if that company holds 25% or more of the voting power of the distributing company or which shows that its holdings are motivated by commercial reasons.
Profits distributed to an individual are taxed as capital income (30% flat rate) without any deduction or imputation for corporation tax.

Special preferential tax treatment for means intended for expansion purposes (tax on means intended for expansion purposes)

(Expansionsmedelsskatt)

Tax on Means Intended for Expansion Purposes Act (1993:1537), as promulgated on 16 December 1993, Articles 6 and 7, as last amended by the 1994 Tax Amendment Laws (1994:786) of 9 June 1994 and (1994:1886) of 20 December 1994.

Beneficiary:

The government.

Tax payable by:

Unrestricted tax liability:

All individuals and Swedish estates with income from single proprietorships or partnerships.

Restricted tax liability:

The following are liable to tax on means intended for expansion purposes with restrictions: individuals with income from single proprietorships or partnerships derived from a permanent establishment or immovable property in Sweden.

Basis of assessment:

Income earned through single proprietorships or partnerships is taxed primarily through the personal income tax levied on the proprietor or the partner (approximately 45% in the low-income bracket, 65% in the medium-income bracket and 67% in the high-income bracket, including social security contributions). However, the taxpayer can choose to exclude business income from the normal taxation of income. The excluded amount, intended for expansion purposes, is taxed at a flat rate of 28%. There is no liability to pay social security contributions on these means. If the excluded amount is reduced a later year, the reduced amount will be subject to the regular taxation on income earned. The taxpayer will then receive a credit for the tax already paid.

Exemptions:

Foreign legal persons.

Deduction of losses:

Losses which are not offset by positive income when the total amount of income is determined may be deducted in the succeeding years.

Collection:

By annual assessment.

Rate:

28%.

SE 4

Car for sale tax

(Saluvagnsskatt)

Car for sale tax (SFS 1976:339), amended by SFS 1978:122, 1981:845, 1984:258, 1988:329, 1992:634, 1992:1647 and 1993:901.

Beneficiary:

The government.

Tax payable on:

Cars, motor cycles, tractors, motor-driven equipment and trailers with a car for sale number plate.

Tax payable when:

Each calendar year.

Tax payable by:

Person with a car for sale licence.

Rates:

Car:	SKR 715.
Motor cycle:	SKR 125.
Tractor, motor-driven equipment and trailer	SKR 200.

Sales tax on motor vehicles

(Försäljningsskatt)

Sales tax on motor vehicles (SFS 1978:69), amended by SFS 1979:279, 1981:255, 1981:1031, 1983:969, 1984:159, 1985:495, 1986:260, 1987:400, 1987:1241, 1988:357, 1989:196, 1989:1031, 1991:161, 1991:608, 1992:1443, 1992:1444, 1993:471, 1993:1514 and 1994:1789.

Beneficiary:

The government.

Tax payable on:

Passenger cars, buses, lorries and motor cycles.

Tax payable by:

Any person who manufactures taxable vehicles inside Sweden on a commercial basis and any person who has been registered with the tax authorities as an importer are obliged to pay the tax. In all other cases it is the owner of the vehicle.

Tax payable when:

The tax becomes payable when the vehicle is entered in the central car register. The tax is also payable when a vehicle not previously subject to taxation is re-registered after modification and becomes subject to tax.

Exemptions:

Certain vehicles and vehicles for certain use.

SE 5

Rates:

Type of vehicle	Environmental class		
	1	2	3
1. Passenger car	SKR 6.40 per kg of kerb weight	SKR 6.40 per kg of kerb weight	SKR 6.40 per kg of kerb weight plus SKR 2 000
2. Bus			
— With a total weight not exceeding 3 500 kg	SKR 6.40 per kg of kerb weight	SKR 6.40 per kg of kerb weight	SKR 6.40 per kg of kerb weight plus SKR 2 000
— With a total weight above 3 500 kg but below 7 000 kg	-	SKR 6 000	SKR 20 000
— With a total weight above 7 000 kg	-	SKR 20 000	SKR 64 000
3. Lorry (closed truck)			
— With a total weight 3 500 kg	SKR 6.40 per kg of kerb weight	SKR 6.40 per kg of kerb weight	SKR 6.40 per kg of kerb weight plus SKR 2 000
— With a total weight above 3 500 kg but below 7 000 kg	-	SKR 6 000	SKR 20 000
— With a total weight above 7 000 kg	-	SKR 20 000	SKR 65 000
4. Lorry (open truck)			
— With a total weight 3 500 kg	SKR 4 000	SKR 4 000	SKR 6 000
— With a total weight above 3 500 kg but below 7 000 kg	-	SKR 6 000	SKR 20 000
— With a total weight above 7 000 kg	-	SKR 20 000	SKR 65 000

Motor cycles	Kerb weight	Tax (SKR)
	— Not exceeding 75 kg	1 340
	— Above 75 kg, but not exceeding 160 kg	1 760
	— Above 160 kg, but not exceeding 210 kg	72 700
	— Above 210 kg	4 480

Duty on tobacco¹

(Tobaksskatt)

Tobacco Tax Law of 15 December 1994 (SFS 1994:1563), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Cigars and cigarillos.
Cigarettes.
Smoking tobacco.
Snuff and moist snuff.
Chewing tobacco.

Rates:

1. Cigars and cigarillos: SKR 0.35 per unit.
2. Cigarettes:¹ SKR 0.75 per unit.
3. Smoking tobacco: SKR 384 per kg.
4. Snuff and moist snuff: SKR 75 per kg.
5. Chewing tobacco: SKR 123 per kg.

Duty payable by:

Cigars, cigarillos, cigarettes and smoking tobacco: in principle, the authorized warehouse-keepers.
Snuff and chewing tobacco: in principle, the producer.

Duty payable when:

1. Cigars, cigarillos, cigarettes and smoking tobacco: The products leave the suspension arrangement.
2. Snuff and chewing tobacco: the products leave the manufacturing enterprise or are set aside for consumption within the enterprise.

¹ Sweden has a transitional period of one year, starting 1 January 1995, to initiate the proportional excise duty of Directive 92/79/EEC and a transitional period of four years, starting 1 January 1995, to attain the overall minimum excise duty rate of Directive 92/79/EEC.

Period for submission of declaration:

In general, until the 25th day of the month following the month when liability arose.

Payment:

At the same time as the declaration is to be submitted.

Exemptions:

Exemption from tobacco duty is granted on products:

- consumed in tests in a registered tax warehouse
- exported from a registered tax warehouse (snuff and chewing tobacco: manufacturing enterprise).

Refund:

Tobacco duty is, on request, refunded to other persons than warehousekeepers who have exported duty-paid products.

SE 7

Duty on beer

(Alkoholskatt)

Alcohol Tax Law of 15 December 1994 (SFS 1994:1564), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Beer, CN code 2203, and products containing a mixture of beer and non-alcoholic drinks, CN code 2206.

Rates:

Alcoholic strength:

- not exceeding 2.25% volume, SKR 0;
- exceeding 2.25% volume but not exceeding 3.5% volume, SKR 0.91 per litre/degree of alcohol;
- exceeding 3.5% volume, SKR 2.33 per litre/degree of alcohol.

Duty payable by:

In principle, authorized warehousekeepers.

Duty payable when:

The products leave the suspension arrangement.

Period for submission of declaration:

In general, until the 25th day of the month following the month when liability arose.

Payment:

At the same time as the declaration is to be submitted.

Exemptions:

Exemption from alcohol duty is granted on products:

- consumed in tests in a registered tax warehouse;
- used for scientific purposes;
- used for medical purposes in hospitals and pharmacies;
- used in a manufacturing process provided that the final product does not contain alcohol;
- exported from a registered tax warehouse.

Refund:

Alcohol duty is, on request, refunded to other persons than warehousekeepers who have exported duty-paid products.

SE 8

Duty on wine

(Alkoholskatt)

Alcohol Tax Law of 15 December 1994 (SFS 1994:1564), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Wine within CN codes 2204 and 2205.

Rates:

Alcoholic strength:

- not exceeding 2.25% volume, SKR 0;
- exceeding 2.25% volume but not exceeding 4.5% volume, SKR 9 per litre;
- exceeding 4.5% volume but not exceeding 7% volume, SKR 13.30 per litre;
- exceeding 7% volume but not exceeding 8.5% volume, SKR 18.30 per litre;
- exceeding 8.5% volume but not exceeding 15% volume, SKR 26.20 per litre;
- exceeding 15% volume but not exceeding 18% volume, SKR 43.50 per litre;

Duty payable by:

In principle, authorized warehousekeepers.

Duty payable when:

The products leave the suspension arrangement.

Period for submission of declaration:

In general, until the 25th day of the month following the month when liability arose.

Payment:

At the same time as the declaration is to be submitted.

Exemptions:

Exemption from alcohol duty is granted on products:

- consumed in tests in a registered tax warehouse;
- used for scientific purposes;
- used for medical purposes in hospitals and pharmacies;
- used in a manufacturing process provided that the final product does not contain alcohol;
- exported from a registered tax warehouse.

Refund:

Alcohol duty is, on request, refunded to other persons than warehousekeepers who have exported duty-paid products.

SE 9

Duty on fermented beverages other than wine and beer

(Alkoholskatt)

Alcohol Tax Law of 15 December 1994 (SFS 1994:1564), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Fermented beverages other than wine and beer within CN code 2204, 2205 and 2206.

Rates:

Alcoholic strength:

- not exceeding 2.25% volume, SKR 0;
- exceeding 2.25% volume but not exceeding 4.5% volume, SKR 9 per litre;
- exceeding 4.5% volume but not exceeding 7% volume, SKR 13.30 per litre;
- exceeding 7% volume but not exceeding 8.5% volume, SKR 18.30 per litre;
- exceeding 8.5% volume but not exceeding 15% volume, SKR 26.20 per litre.

Duty payable by:

In principle, authorized warehousekeepers.

Duty payable when:

The products leave the suspension arrangement.

Period for submission of declaration:

In general, until the 25th day of the month following the month when liability arose.

Payment:

At the same time as the declaration is to be submitted.

Exemptions:

Exemption from alcohol duty is granted on products:

- consumed in tests in a registered tax warehouse;
- used for scientific purposes;
- used for medical purposes in hospitals and pharmacies;
- used in a manufacturing process provided that the final product does not contain alcohol;
- exported from a registered tax warehouse.

Refund:

Alcohol duty is, on request, refunded to other persons than warehousekeepers who have exported duty-paid products.

Duty on intermediate products

(Alkoholskatt)

Alcohol Tax Law of 15 December 1994 (SFS 1994:1564), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Intermediate products within CN codes 2204, 2205 and 2206.

Rates:

Alcoholic strength:

- exceeding 1.2% volume but not exceeding 15% volume, SKR 26.20 per litre;
- exceeding 15% volume but not exceeding 22% volume, SKR 43.50 per litre.

Duty payable by:

In principle, authorized warehousekeepers.

Duty payable when:

The products leave the suspension arrangement.

Period for submission of declaration:

In general, until the 25th day of the month following the month when liability arose.

Payment:

At the same time as the declaration is to be submitted.

Exemptions:

Exemption from alcohol duty is granted on products:

- consumed in tests in a registered tax warehouse;
- used for scientific purposes;
- used for medical purposes in hospitals and pharmacies;
- used in a manufacturing process provided that the final product does not contain alcohol;
- exported from a registered tax warehouse.

Refund:

Alcohol duty is, on request, refunded to other persons than warehousekeepers who have exported duty-paid products.

SE 11

Duty on ethyl alcohol

(Alkoholskatt)

Alcohol Tax Law of 15 December 1994 (SFS 1994:1564), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Ethyl alcohol within CN code 2204, 2205, 2206, 2207 and 2208.

Rate:

SKR 474 per litre of pure alcohol.

Duty payable by:

In principle, authorized warehousekeepers.

Duty payable when:

The products leave the suspension arrangement.

Period for submission of declaration:

In general, until the 25th day of the month following the month when liability arose.

Payment:

At the same time as the declaration is to be submitted.

Exemptions:

Exemption from alcohol duty is granted on products:

- consumed in tests in a registered tax warehouse;
- used for scientific purposes;
- used for medical purposes in hospitals and pharmacies;
- used in a manufacturing process provided that the final product does not contain alcohol;
- exported from a registered tax warehouse.

Refund:

Alcohol duty is, on request, refunded to other persons than warehousekeepers who have exported duty-paid products.

SE 12

Tax on the possession of dogs

(Hundskatt)

Dog Tax Act (SFS 1923:116); reprinted in SFS 1980:516; amended by SFS 1984:411, 1985:254, 1988:85 and 1994:1726.

Beneficiaries:

The municipalities.

Tax payable on:

The possession of a dog.

Basis of assessment:

The number of dogs.

Exemptions:

Dogs used by the the police, the customs authorities, and the military authorities; working dogs belonging to Lapps; dogs used in scientific research; guide dogs for the blind; and dogs belonging to diplomats.

Collection:

Annually.

Rates:

Each municipality sets its own rate.

Gambling tax

(Spelskatt)

Gambling Tax Act (SFS 1972:820); reprinted in SFS 1984:157; amended by SFS 1988:841, 1988:1571, 1993:473, 1994:1003 and 1994:1871.

Beneficiary:

The government.

Tax payable on:

The permission to arrange gambling with roulette, cards and dice.

Basis of assessment:

The number of gambling tables.

Collection:

Monthly.

Rates:

Every month:

SKR 2 000 for one table;

SKR 4 000 for two tables;

SKR 9 000 for three tables;

SKR 18 000 for four tables;

SKR 25 000 for five tables and, for each table in excess of five, SKR 5 000.

SE 14

Tax on lottery *(Lotteriskatt)*

Lottery Tax Act (SFS 1991:1482); amended by SFS 1992:575.

Beneficiary:

The government.

Tax payable on:

Bets on lotteries, football pools and the results of horse races.

Basis of assessment:

The amount of bets.

Collection:

Monthly.

Rate:

35% of the difference between the bets and the lottery prize.

Excise duty on fertilizers

(Gödselmedelsskatt)

Act on excise duty on fertilizers (SFS 1984:409), amended by SFS 1986:219, 1987:1298, 1988:639, 1991:399, 1991:732, 1991:913, 1993:1320 and 1994:1707.

Beneficiary:

The government.

Duty payable on:

Ammonia falling within CN code 28.14, potassium nitrate and calcium nitrate falling within CN code 28.34 and goods falling within CN codes 31.02, 31.03 and 31.05.

Duty payable when:

The excisable products are delivered to a consignee or used for other purposes than sale.

Duty payable by:

Manufacturer and importer.

Rates:

SKR 1.80 per kilogram of nitrogen, if the fertilizer contains more than 2% nitrogen;
SKR 30 per gram of cadmium in the fertilizer, if the cadmium content exceeds 5 grams per 1 000 kilograms of phosphorus.

Period for submission of declaration:

Until the 25th day of the month following the month when liability arose.

Payment:

On the 25th day of the month following the month when liability arose.

Exemptions:

Fertilizer used for other purposes than cultivation.

SE 16

Excise duty on biocides

(Bekämpningsmedelsskatt)

Act on excise duty on biocides (SFS 1983:410), amended by SFS 1988:638, 1993:484 and 1994:1706

Beneficiary:

The government.

Duty payable on:

Biocides.

Duty payable when:

The excisable products are delivered to a consignee or used for other purposes than sale.

Duty payable by:

Manufacturer and importer.

Rate:

SKR 20 per kilogram of effective elements of the biocide.

Period for submission of declaration:

Until the 25th day of the month following the month when liability arose.

Payment:

On the 25th day of the month following the month when liability arose.

Motor vehicle tax

(Fordonsskatt)

Motor vehicle tax (SFS 1988:327), amended by SFS 1989:197, 1989:702, 1989:1030, 1990:403, 1990:1195, 1991:179, 1991:312, 1991:609, 1991:1911, 1992:644, 1992:883, 1992:1440, 1992:1441, 1992:1731, 1993:775, 1993:841, 1993:913, 1993:1707, 1994:303, 1994:1777 and 1994:1792.

Beneficiary:

The government.

Tax payable on:

Passenger cars, lorries, buses, motor cycles, tractors, motor-driven equipment, heavy working equipment and trailers registered in the central car register.

Tax payable when:

The tax has to be paid in advance for 12 calendar months (one fiscal year). The last digit of the vehicle's registration number determines which month the tax is due.

Tax payable by:

The person who owns the vehicle at the beginning of the collection month.

Exemptions:

Certain vehicles and vehicles for certain use.

Rates:

Type of vehicle	Weight (kg)	Tax in (SKR)	
		Basic tax	Additional tax per whole unit of 100 kg above the lowest weight in the classification
A — Motor cycles			
1. Two-wheeled, without side-car	0 to 75	100	0
	76+	125	0
2. Other motor cycles	0+	200	0
B — Passenger cars			
1. Petrol or liquefied-petroleum-gas-driven cars	0 to 900	355	0
	901+	445	90
2. Diesel-driven cars			
2.1. Cars built before 1993 or 1993 models	0 to 900	710	0
	901+	890	180
2.2. Other diesel cars	0 to 900	1 775	0
	901+	2 225	450
C — Buses			
1. Petrol or liquefied-petroleum-gas-driven buses	0 to 1 600	355	0
	1 601 to 3 000	391	36
	3 001+	895	0
2. Other buses	0 to 1 600	655	0
	1 601 to 3 000	705	50
	3 001+	1 405	0
D. — Lorries			
1. Petrol or liquefied-petroleum-gas-driven lorries	0 to 1 600	355	0
	1 601 to 3 000	391	36
	3 001+	895	0
2. Other lorries			
2.1. For use with semi-trailer with two axles	0 to 1 600	790	0
	1 601 to 3 000	845	55
	3 001 to 6 000	1 615	50
	6 001 to 10 000	3 115	60
	10 001 to 14 000	5 515	154
	14 001+	11 675	271

Type of vehicle	Weight (kg)	Tax in (SKR)	
		Basic tax	Additional tax per whole unit of 100 kg above the lowest weight in the classification
With three or more axes	0 to 1 600	790	0
	1 601 to 3 000	825	35
	3 001 to 6 000	1 315	63
	6 001 to 11 000	3 205	72
	11 001 to 15 000	6 805	92
	15 001 to 18 000	10 485	108
	18 001 to 23 000	13 725	197
	23 001+	23 575	168
2.2. For use with other trailers with two axes	0 to 1 600+	655	0
	1 601 to 3 000	705	50
	3 001 to 6 000	1 405	4
	6 001 to 10 000	1 525	26
	10 001 to 14 000	2 565	89
	14 001 to 17 000	6 125	159
	17 000+	10 895	208
With three or more axes	0 to 1 600	620	0
	1 601 to 3 000	665	45
	3 001 to 6 000	1 295	4
	6 001 to 11 000	1 415	13
	11 001 to 15 000	2 065	70
	15 001 to 18 000	4 865	124
	18 001+	8 585	156
E. — Tractor			
1. Tractor class I (traffic-tractor)	0 to 1 300	370	0
	1 301 to 3 000	425	55
	3 001 to 7 000	1 360	95
	7 001+	5 160	168
2. Tractor class II (agriculture-tractor)	0+	225	0
3. Motor-driven equipment that is not taxed according to points 1 or 2	2 001+	1 000	0
4. Heavy working equipment, that is not taxed according to points 2 with three or more axes	2 001 to 6 000	300	35
	6 001 to 14 000	1 700	70
	14 001+	7 300	200

Type of vehicle	Weight (kg)	Tax in (SKR)		
		Basic tax	Additional tax per whole unit of 100 kg above the lowest weight in the classification	
With three or more axles	2 001 to 6 000	300	30	
	6 001 to 14 000	1 500	50	
	14 001 to 18 000	5 500	130	
F. — Trailers				
1. Trailers with a total weight not over 3 000 kg	0 to 1 000	150	0	
	1 001 to 3 000	170	21	
2. Trailers with a total weight over 3 000 kg drawn only by petrol or liquefied-petroleum-gas-driven vehicles	With one axle	3 001+	580	
	With two axles	3 001 to 13 000	580	
		13 001+	1 480	
	With three or more axles	3 001 to 13 000	580	
		13 001+	1 180	
	3. Trailers with a total weight over 3 000 kg drawn by a diesel-driven car	3.1. Steering axle for semi-trailer	3 001 to 5 000	630
5 001 to 8 000			2 190	
8 001+			5 400	
With two or more axles		3 001 to 8 000	610	
		8 001 to 11 000	2 710	
		11 001 to 14 000	4 990	
		14 001+	8 410	
3.2. Other trailers		With one axle	3 001 to 8 000	320
			8 001+	2 120
		With two axles	3 001 to 8 000	310
			8 001 to 11 000	1 460
			11 001 to 14 000	2 600
	14 001 to 17 000		4 340	
17 001+	6 620			

Type of vehicle	Weight (kg)	Tax in (SKR)		
		Basic tax	Additional tax per whole unit of 100 kg above the lowest weight in the classification	
4. Trailers with a total weight over 3 000 kg drawn by a traffic-tractor or motor-driven equipment that is taxed as a traffic-tractor or by heavy-working equipment that is taxed according to point E 4	With three or more axles			
	3 001 to 11 000	300	14	
	11 001 to 17 000	1 420	30	
	17 001 to 25 000	3 220	50	
	25 001+	7 220	65	
	With one axle			
	3 001 to 8 000	550	45	
	8 001+	2 800	120	
	With two axles			
	3 001 to 8 000	550	20	
	8 001 to 11 000	1 550	50	
	11 001 to 17 000	3 050	170	
17 001+	13 250	250		
With three or more axles				
3 001 to 11 000	550	20		
11 001 to 14 000	2 150	40		
14 001 to 20 000	3 350	75		
20 001 to 25 000	7 850	105		
25 001 to 30 000	13 100	120		
30 001+	19 100	45		

Excise duties on fuels

SV (Punktskatter på bränslen)

Act on excise duties on energy (SFS 1994:1776), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Energy tax, carbon dioxide tax and sulphur tax are to be paid on mineral oils and similar products as well as on coal, natural gas and petroleum coke. Sulphur tax is also levied on peat. The taxes are also charged on products similar to mineral oils when such products are sold or used as motor fuels or heating fuels.

Duty payable when:

1. Petrol, gas oil, heavy fuel oil, kerosene, LPG and methane: fuels leave the suspension arrangement.
2. Other fuels: fuels are delivered by a registered taxpayer to a consignee who is not a registered taxpayer or consumed by the taxpayer himself.
3. For fuels which are imported from a country outside the EU by someone who is not an authorized warehousekeeper (fuels under point 1 above) or a registered taxpayer (other fuels), the duty is charged on the event of importation in accordance with customs regulations.

Duty payable by:

Petrol, gas oil, heavy fuel oil, kerosene, LPG and methane: in principle, authorized warehousekeepers.

Other fuels: in principle, registered taxpayers.

Fuels imported from a country outside the EU by someone who is not a registered warehousekeeper or a registered taxpayer: the importer.

Exemptions:

Relief from energy tax and carbon dioxide tax is granted for:

1. Biologically produced methane;
2. Fuels being exported to a country outside the EU;
3. Fuels used for other purposes than as motor fuel or as heating fuel;
4. Fuels used in railbound means of transportation;
5. Fuels used for commercial navigation;
6. Aviation spirit and jet fuel used for all kinds of air navigation. Other fuels used for commercial air navigation;
7. Coal and petroleum coke used in metallurgical processes;

8. Fuels used for the production of taxable products;

9. Fuels used for the production of electricity.

Relief from sulphur tax is granted for the purposes set out in points 1 to 8 above.

Period for submission of declaration:

In general, until the 25th day of the month following the month during which liability arose.

Rates:

For energy tax and carbon dioxide tax, see table on next page.

The sulphur tax on peat, coal, petroleum coke and other solid or gaseous products is set at SKR 30 per kilogram of sulphur in the fuel. The sulphur tax on liquid fuels is SKR 27 per m³ of oil for each tenth of a per cent by weight of the sulphur content. However, oil products with a maximum sulphur content of 0.1% by weight are exempted from the sulphur tax.

Payment:

At the same time as the declaration is to be submitted.

Rates:

CN Code	Type of product; Unit	Energy tax (SKR)	Carbon dioxide tax (SKR)	Total excise duty rate (SKR)
Mineral Oils				
1. 2710 00 27, 2710 00 29 or 2710 00 32	Unleaded petrol Environmental class 2 Environmental class 3 (per litre)	3.22 3.28	0.79 0.79	4.01 4.07
2. 2710 00 34 or 2710 00 36	Leaded petrol (per litre)	3.81	0.79	4.60
3. 2710 00 55, 2710 00 69 or 2710 00 74-78	Gas, oil, other kerosene than jet fuel, heavy fuel oil (per m ³)			
	— marked oil ¹	577	982	1 559
	— unmarked oil			
	Environmental class 1	1 422	982	2 424
	Environmental class 2	1 644	982	2 626
	Environmental class 3	1 910	982	2 892
4. Within 2711 12 11 2711 19 00	Liquefied petroleum gas (LPG)			
	— used for the propulsion of cars, lorries, buses, traffic- tractors, vessels, aircraft (per litre)	0.90	0.51	1.41
	— other purposes (per 1 000 m ³)	112	1 024	1 136
5. Within 2711 29 00	Methane (per 1 000 m ³)			
	— used for the propulsion of cars, lorries, buses, traffic- tractors, vessels, aircraft	1 498	725	2 223
	— other purposes	187	725	912
<p>¹ Unmarked oil is used for the propulsion of cars, lorries, buses, traffic tractors and boats. Marked oil is used in other motors and for heating purposes. As for marked oil used in either the manufacturing industry or in commercial horticulture, tax rates are lower: no energy tax is paid for such consumption and only 25% of the carbon dioxide rates listed in the table.</p>				

CN Code	Type of product; Unit	Energy tax (SKR)	Carbon dioxide tax (SKR)	Total excise duty rate (SKR)
Other fuels				
6. 2711 00, 2711 21 00	Natural gas (<i>per 1 000 m³</i>)			
	— used for the propulsion of cars, lorries, buses, traffic- tractors, vessels, aircraft	1 498	725	2 223
	— other purposes	187	725	912
7. 2701, 2702 or 2704	Coal (<i>per 1 000 kg</i>)	245	854	1 099
8. 2713 11 00 — 2713 12 00	Petroleum coke (<i>per 1 000 kg</i>)	245	854	1 099

Energy tax on electricity

(Energiskatt)

Act on excise duties on energy (SFS 1994:1776), which came into force on 1 January 1995.

Beneficiary:

The government.

Duty payable on:

Electricity being consumed in Sweden.

Duty payable when:

Electricity is being delivered to a consumer who is not a registered taxpayer or consumed by the taxpayer himself.

Duty payable by:

A natural or legal person who, in the course of his business:

- delivers or consumes electricity which he has produced, or
- delivers electricity which has been produced by a third party.

Exemptions:

Relief from energy tax is granted if the electricity is produced in a certain manner or used for certain specific purposes, namely

1. produced in a wind power station;
2. produced in other stations than those operating by wind power with a capacity of less than 100 kW and not being commercially delivered;
3. produced and consumed on board a craft or other means of transportation;
4. used in connection with the production of electricity; or
5. produced in a reserve power station.

Period for submission of declaration:

In general, until the 25th day of the month following the month during which liability arose.

Rates:

Types of consumption	Energy tax (SKR/kWh)
1. Manufacturing industry and commercial greenhouse cultivation	0
2. Other consumption than specified under point 1, in certain areas, mainly in the northern parts of Sweden	0.037
3. Electricity, gas, heating or water supplies in other areas than those covered by point 2	0.068
4. Other consumption	0.09

Payment:

At the same time as the declaration is to be submitted.

Excise duty on electricity generated in hydroelectric installations

(Skatt på viss elektrisk kraft)

Act on excise duty on electricity generated in hydroelectric installations (SFS 1982:1201), which came into force on 1 January 1983. The Act has been amended by SFS 1984:163, 1984:997 and 1993:482.

Beneficiary:

The government.

Duty payable on:

Electricity being generated in Sweden at a hydroelectric power station with an installed generator capacity of 1 500 kW or more.

Duty payable when:

The electricity is delivered from the station.

Duty payable by:

The producer of electricity.

Period for submission of declaration and payment:

Until the 25th day of the month following the month during which liability arose.

Rates:

SKR 0.02 per kWh if the electricity is generated in a hydroelectric installation in operation since before 1973, and SKR 0.01 per kWh if the electricity is generated in an installation which was commissioned between 1973 and 1977. Electricity generated in an installation which came into operation after 1977 is exempted from duty.

Excise duty on electricity generated in nuclear power stations

(Särskild skatt på elektrisk kraft från kärnkraftverk)

Act on excise duty on electricity generated in nuclear power stations (SFS 1983:1104), which came into force on 1 January 1984. The Act has been amended by SFS 1984:156, 1986:503 and 1993:483.

Beneficiary:

The government.

Duty payable on:

Electricity being generated in Sweden in a nuclear power station.

Duty payable when:

The electricity is delivered from the station.

Duty payable by:

Those being licensed to own and operate nuclear power reactors.

Period for submission of declaration and payment:

Until the 25th day of the month following the month during which liability arose.

Rate:

SKR 0.002 per kWh.

Environmental tax on domestic aviation

(Miljöskatt på inrikes flygtrafik)

Act on environmental tax on domestic aviation (SFS 1988:1567), which came into force on 1 March 1989. The Act has been amended by SFS 1990:586, 1992:882 and 1993:470.

Beneficiary:

The government.

Duty payable on:

Commercial domestic flights using aircraft with a certified maximum take-off weight of more than 5 700 kilograms.

Duty payable when:

Take-off of the flight.

Duty payable by:

The owner of the aircraft or, if the aircraft is not used by the owner, the user.

Period for submission of declaration and payment:

Until the 25th day of the month following the month during which liability arose.

Rates:

SKR 1 per kilogram of fuel consumed during the flight and SKR 12 per kilogram of hydrocarbons and nitrogen oxides emitted.

Value-added tax

(Mervärdesskatt)

Value-Added Tax Act (1994:200) of 1 July 1994, as last amended by SFS 1994:1798 of 1 January 1995.

Beneficiary:

The government.

Tax payable by:

- Persons conducting business or business-like activities.
- Persons liable to VAT on intra-Community acquisitions regarding new means of transportation.
- Persons liable to custom duties on imports from countries outside the EU.

Tax payable on:

- Supplies of goods and services.
- Intra-Community acquisitions.
- Import of goods into the customs territory.
- Supply of goods and services carried out free of charge by the taxable person for purposes other than those of his or her business.

Taxable amount:

- Supply of goods and services and intra-Community acquisitions: the consideration before tax.
- Import of goods: the customs value including import duties and freight and other similar costs.
- Goods and services supplied free of charge for other purposes than business: the purchase price or the cost price.

Exemptions:

Without input tax deduction:

- cultural and educational services;
- health care and social services;
- financial services, insurance transactions;
- supply and letting or leasing of immovable property.

With input tax deduction:

- daily newspapers;
- pharmaceutical products on prescription;
- certain ships and aircraft for commercial use.

SE 23

Deductions:

- Input tax paid.
- So called 'fictitious' tax, i.e. if a taxable person purchases goods from a private or other person who is not liable to VAT, the purchaser has the right to regard a portion — 20% if the tax rate is 25% — of the price as deductible input tax. (This will be abolished as from 1 November 1995.)

Collection:

Tax returns and payment bimonthly; annual tax return for small companies (annual turnover less than SKR 200 000).

Rates:

- Standard rate: 25%.
- Reduced rates:
 - 21% (foodstuffs);
 - 12% (e.g. passenger transportation, hotel accommodation).

Exports:

Exempt, with input tax deduction.

Income tax on non-residents

(Lag om särskild inkomstskatt för utomlands bosatta)

Income Tax Act (1991:586), as last amended by SFS 1994:1982 of 1 January 1995.

Beneficiary:

The government.

Tax payable by:

Non-resident individuals.

Basis of assessment:

Income from personal services (private or public) performed in Sweden, such as employment income, director's fees, management or consultancy fees, pensions, etc.

Exemptions:

Non-residents are exempt from tax on income from private employment carried on in Sweden, provided:

- the recipient is present in Sweden for a period or periods not exceeding in the aggregate 183 days in any period of 12 months, and
- the remuneration is paid by, or on behalf of, an employer who is not resident in Sweden, and
- the remuneration is not borne by a permanent establishment which the employer has in Sweden.

Collection:

Tax is withheld at source by the payer of the remuneration, unless the payer is a non-resident. In this case, the recipient of the remuneration is responsible for paying the tax.

Rate:

Tax is levied at a flat rate of 25% on the gross income.

European Commission

**Inventory of taxes levied in the Member States
of the European Union — 16th edition — Supplement**

Document

Luxembourg: Office for Official Publications of the European Communities

1996 — xii, 149 pp. — 17.6 x 25 cm

ISBN 97-827-6986-0

Price (excluding VAT) in Luxembourg: ECU 19.50

This edition of the Inventory of taxes levied in the Member States of the European Union, published by the European Commission - Directorates-General XV and XXI (Rue de la Loi 200/Wetstraat 200, B-1049 Bruxelles/Brussel) - contains a concise survey of the duties and taxes in force in Austria, Finland and Sweden on 1 January 1995.

The present work is also published in French and German, under the following titles: *Inventaire des impôts perçus dans les États membres des Communautés européennes* and *Inventar der Steuern, die in den Mitgliedstaaten der Europäischen Gemeinschaften erhoben werden*.

Venta • Salg • Verkauf • Πωλησεις • Sales • Vente • Vendita • Verkoop • Venda • Myynti • Försäljning

BELGIQUE/BELGIE

Monteur belge/Belgisch Staatsblad

Rue de Louvain 40-42/
Leuvenseweg 40-42
B-1000 Bruxelles/Brussel
Tel. (32-2) 552 22 11
Fax (32-2) 511 01 84

Jean De Lannoy

Avenue du Roi 202/
Koningslaan 202
B-1060 Bruxelles/Brussel
Tel. (32-2) 538 51 69
Fax (32-2) 538 08 41
e-mail: jean.de.lannoy@infoboard.be

**Librairie européenne/
Europese Boekhandel**

Rue de la Loi 244/
Welsstraat 244
B-1040 Bruxelles/Brussel
Tel. (32-2) 295 26 39
Fax (32-2) 735 08 60

DANMARK

J. H. Schultz Information A/S

Herstedvang 10-12
DK-2620 Albertslund
Tel. (45) 43 63 93 00
Fax (45) 43 63 19 69
e-mail: schultz@schultz.dk

DEUTSCHLAND

Bundesanzeiger Verlag

Breite Straße 78-80
Postfach 10 05 34
D-50667 Köln
Tel. (49-221) 20 29-0
Fax (49-221) 20 29 278

GRECE/ELLADA

G.C. Eleftheroudakis SA

International Bookstore
Panepistimiou 17
GR-105 64 Athens
Tel. (30-1) 331 41 82
Fax (30-1) 323 98 21

ESPAÑA

Mundi Prensa Libros, SA

Castelló, 37
E-28001 Madrid
Tel. (34-1) 431 33 99/431 32 22/435 36 37
Fax (34-1) 575 39 98
e-mail: mundiprensa@tsar.es

Boletín Oficial del Estado

Tratafagar 27-29
E-28010 Madrid
Tel. (34-1) 538 22 95/538 22 97
Fax (34-1) 538 22 67

Sucursal

Mundi Prensa Barcelona

Conseil de Cent. 391
E-08009 Barcelona
Tel. (34-3) 488 34 92
Fax (34-3) 487 76 59

Libreria de la Generalitat de Catalunya

Rambla dels Estudis, 118
Palau Moja
E-08002 Barcelona
Tel. (34-3) 302 68 35/302 64 62
Fax (34-3) 302 12 99

FRANCE

Journal officiel

Service des publications des CE
26, rue Desaix
F-75727 Paris Cedex 15
Tel. (33-1) 40 58 77 01/31
Fax (33-1) 40 58 77 00

IRELAND

Government Supplies Agency

Publications Section
4-5 Harcourt Road
Dublin 2
Tel. (353-1) 661 31 11
Fax (353-1) 475 27 60

ITALIA

Licosa SpA

Via Duca di Calabria 1/1
Casella postale 552
I-50125 Firenze
Tel. (39-55) 64 54 15
Fax (39-55) 64 12 57
e-mail: licosa@hbcc.it

GRAND-DUCHÉ DE LUXEMBOURG

Messageries du livre Sarti

5, rue Raffaeisen
L-2411 Luxembourg
Tel. (352) 40 10 20
Fax (352) 490 661
e-mail: mdi@pt.lu

Abonnements:

Messageries Paul Kraus

11, rue Christophe Plantin
L-2309 Luxembourg
Tel. (352) 499 88 88
Fax (352) 499 888 444
e-mail: mpk@pt.lu

NEDERLAND

SDU Uitgeverij/en

Externe Fondsen
Christoffel Plantinstraat 2
Postbus 20014
2500 EA 's-Gravenhage
Tel. (31-70) 378 98 80
Fax (31-70) 378 97 83

ÖSTERREICH

**Manzsche Verlags-
und Universitätsbuchhandlung GmbH**

Siebenbrunnengasse 21
Postfach 1
A-1050 Wien
Tel. (43-1) 53 161 (334 oder 340)
Fax (43-1) 53 161 (339)
e-mail: auslieferung@manz.co.at

PORTUGAL

Imprensa Nacional-Casa da Moeda, EP

Rua Marquês de Sá da Bandeira, 16 A
P-1050 Lisboa Codex
Tel. (351-1) 353 03 99
Fax (351-1) 353 02 94/384 01 32

Distribuidora de Livros

Bertrand Ld.
Grupo Bertrand, SA
Rua das Terras dos Vales, 4-A
Apartado 60037
P-2700 Amadora Codex
Tel. (351-1) 495 90 50/495 87 87
Fax (351-1) 496 02 55

SUOMI/FINLAND

**Akateeminen Kirjakauppa /
Akademiska Bokhandeln**

Pohjoisesplanadi 39/
Norra esplanaden 39
PL/PB 128
FIN-00101 Helsinki/Helsingfors
Tel. (358) 121 41
Fax (358) 121 44 35
e-mail: akatilaus@stockmann.maimet.fi

SVERIGE

BTJ AB

Traktorvägen 11
PO Box 200
S-2221 00 LUND
Tel. (46) 18 00 00
Fax (46) 18 01 25

UNITED KINGDOM

HMSO Books (Agency Section)

HMSO Publications Centre
51, Nine Elms Lane
London SW8 5DR
Tel. (44-171) 873 9090
Fax (44-171) 873 8463

ICELAND

Bokabud Lanusar Blöndal

Skólavörðung, 2
IS-101 Reykjavík
Tel. (354) 55 15 650
Fax (354) 55 25 600

NORGE

NIC Info A/S

Bertrand Narvesens vei 2
Boks 6512 Etterstad
N-0606 Oslo
Tel. (47-22) 57 33 34
Fax (47-22) 68 19 01

SCHWEIZ/SUISSE/SVIZZERA

OSEC

Stampfenbachstraße 85
CH-8035 Zürich
Tel. (41-1) 365 54 54
Fax (41-1) 365 54 11
e-mail: urs.lembacher@ecs.osec.inet.ch

BÁLGARIA

Europressa Klasika Bk Ltd

76, Gurko Street
BG-1463 Sofia
Tel. (359-2) 81 64 73
Fax (359-2) 81 64 73

ČESKÁ REPUBLIKA

NIS ČR - prodejna

Konviktská 5
CZ-113 57 Praha 1
Tel. (42-2) 24 22 94 33/24 23 09 07
Fax (42-2) 24 22 94 33
e-mail: nikosp@dec.nis.cz

HRVATSKA

Mediatrade Ltd

Pavla Hatza 1
HR-4100 Zagreb
Tel. (38-1) 43 03 92
Fax (38-1) 44 40 59

MAGYARORSZÁG

Euro Info Service

Europa Ház
Margaritsziget
H-1138 Budapest
Tel. (36-1) 11 16 06/11 16 216
Fax (36-1) 302 50 35

POLSKA

Business Foundation

ul. Krucza 38/42
PL-00-512 Warszawa
Tel. (48-22) 621 99 93/628 28 82
Fax (48-22) 621 97 61- Free line (0-39) 12 00 77

ROMÂNIA

Euromedia

Str. G-ral Berthelot Nr 41
RO-70749 Bucuresti
Tel. (41) 210 44 01/614 06 64
Fax (41) 210 44 01

RUSSIA

CCEC

9,60-letiya Oktyabrya Av.
117312 Moscow
Tel. (095) 135 52 27
Fax (095) 135 52 27

SLOVAKIA

Slovenská Technická Kniznica

Námestie slobody 19
SLO-81223 Bratislava 1
Tel. (42-7) 53 18 364
Fax (42-7) 53 18 364
e-mail: europ@tbb1.stk.stuba.sk

MALTA

Miller Distributors Ltd

Malta International Airport
PO Box 25
LQA 05 Malta
Tel. (358) 86 44 88
Fax (358) 67 67 99

TÜRKIYE

Donya Infotel A.S.

Isiklül Caddesi No 469
TR-80050 Tunel-Istanbul
Tel. (90-212) 251 91 96 / 427 02 10
Fax (90-212) 251 91 97

ISRAEL

R.O.V. International

17, Shimon Hatarssi Street
PO Box 13056
61130 Tel Aviv
Tel. (972-3) 546 14 23
Fax (972-3) 546 14 42
e-mail: roy@netvision.net.il

Sub-agent for the Palestinian Authority:

Index Information Services

PO Box 19502
Jerusalem
Tel. (972-2) 27 16 34
Fax (972-2) 27 12 19

EGYPT

The Middle East Observer

41, Sherif Street
Cairo
Tel. (20-2) 39 26 919
Fax (20-2) 39 39 732

UNITED STATES OF AMERICA

Unipub

4611-F Assembly Drive
MD20706 Lanham
Tel. (800) 274-4888 (toll free telephone)
Fax (800) 865-3450 (toll free fax)

CANADA

**Uniquement abonnements/
Subscriptions only:**

Renouf Publishing Co. Ltd

1294 Algoma Road
K1B 3W8 Ottawa, Ontario
Tel. (1-613) 741 73 33
Fax (1-613) 741 54 39
e-mail: renouf@fox.nstn.ca
For monographs see: Unipub

AUSTRALIA

Hunter Publications

PO Box 404
3167 Abbotsford, Victoria
Tel. (3) 9417 53 61
Fax (3) 9419 71 54

JAPAN

PSI-Japan

Kyoku Dome, Tokyo Kojimachi P.O.
Tokyo 102
Tel. (81-3) 3234 69 21
Fax (81-3) 3234 69 15
e-mail: psijapan@psi.com
URL: www.psi-japan.com

SOUTH AND EAST ASIA

Legal Library Services Limited

Orchard
PO Box 6523
912318 Singapore
Tel. (65) 243 24 98
Fax (65) 243 24 79
e-mail: elaine@leg-liby.demon.co.uk

SOUTH AFRICA

Setfo

5th Floor Expon House,
CNR Mayne & West Streets
PO Box 782 706
2146 Sandton
Tel. (27-11) 883 37 37
Fax (27-11) 883 65 69

**ANDERE LÄNDER
OTHER COUNTRIES
AUTRES PAYS**

Bitte wenden Sie sich an ein Büro Ihrer Wahl
Please, address yourself to the sales office of your choice
Veuillez vous adresser au bureau de vente de votre choix

Price (excluding VAT) in Luxembourg: ECU 19.50

ISBN 92-827-6986-0



OFFICE FOR OFFICIAL PUBLICATIONS
OF THE EUROPEAN COMMUNITIES

L-2985 Luxembourg



9 789282 769867 >
