


## Financing adult learning database

<b>Name of the instrument - Local language</b>	Koulutusvähennys
<b>Name of the instrument - English translation</b>	Tax allowance for companies - Deduction in company income tax for employee training expenses
<b>Scheme ID</b>	219
<b>Country</b>	 Finland
<b>Reporting year</b>	2020
<b>Type of instrument</b>	Tax incentive for companies
<b>Sub-type of instrument</b>	Incentive for promoting training
<b>Type of entry</b>	Single instrument

<b>Short description</b>	The employer may deduct the training costs arising from training based on a specific training plan developed. It is a prerequisite for tax reduction that the employer has developed a training plan for employees. The amount of the training deduction is calculated by multiplying the average daily wage of the company's employees by the number of training days entitled to the training deduction, and dividing the income thus obtained by 2. The scheme can be re-used once in each calendar year.
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<b>Level of operation</b>	National
<b>Name of a part of the country</b>	Not applicable
<b>Name of the region (for regional instruments)</b>	Not applicable
<b>Name of the sector (for sectoral instruments)</b>	Not applicable
<b>Relevance</b>	Key instrument
<b>Legal basis</b>	Laki Verohallinnosta ('Tax Administration Act')
<b>Objective(s) and target(s)</b>	To promote the development of employees' competences by making it more attractive for employers to undertake training activities for their employees.

<b>Year of implementation</b>	2010
<b>Operation/management</b>	Tax authorities
<b>Eligible group(s)</b>	Companies - it is a prerequisite for tax reduction that the employer has developed a training plan for employees
<b>Group(s) with preferential treatment</b>	No preferential treatment
<b>Education and training eligible</b>	Internal training exceeding 6 hours (one day), as foreseen in the training plan
<b>Source of financing and collection mechanism</b>	State (loss of tax revenue)
<b>Financing formula and allocation mechanisms</b>	Right for an additional tax deduction of up the half of the average wage costs per day of training up to the maximum of three training days per employee, reduction of tax base.
<b>Eligible costs</b>	Contribution to the wage costs during training (deduction of half of the average costs per employee, for up to three days of training per employee)
<b>Volumes of funding</b>	Not available
<b>Beneficiaries/take up</b>	Not available
<b>Organisation responsible for monitoring/evaluation</b>	Tax authorities
<b>Monitoring/evaluation reports available</b>	Not available
<b>Most relevant webpage - in English</b>	Not available
<b>Most relevant webpage - local language</b>	<a href="http://www.vero.fi/sv-FI/Detaljerade_skatteanvisningar/Skatteforvaltnin...">http://www.vero.fi/sv-FI/Detaljerade_skatteanvisningar/Skatteforvaltnin...</a>
<b>Recent changes</b>	No recent amendment Recent changes in response to COVID-19 No changes
<b>Sources</b>	<a href="http://www.vero.fi/sv-FI/Detaljerade_skatteanvisningar/Skatteforvaltnin...">http://www.vero.fi/sv-FI/Detaljerade_skatteanvisningar/Skatteforvaltnin...</a> <a href="http://www.edupoli.fi/koulutusvahennys">http://www.edupoli.fi/koulutusvahennys</a> <a href="https://www.finlex.fi/sv/laki/ajantasa/2010/20100503">https://www.finlex.fi/sv/laki/ajantasa/2010/20100503</a>