

Financing adult learning database

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

Short description	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.
--------------------------	--

Level of operation	National
Name of a part of the country	Not applicable
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	Not applicable
Relevance	Key instrument
Legal basis	Laki Verohallinnosta ('Tax Administration Act')
Objective(s) and target(s)	To promote the development of employees' competences by making it more attractive for employers to undertake training activities for their employees.

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