

Financing adult learning database

Name of the instrument - Local language	Vähennyskelpoiset kulut ammatilliset osaamisen ylläpidosta
Name of the instrument - English translation	Tax allowance for individuals - Deduction in personal income tax for expenses related to the maintenance of professional or vocational skills
Scheme ID	220
Country	 Finland
Reporting year	2020
Type of instrument	Tax incentive for individuals
Sub-type of instrument	Treatment of work/profession related training costs
Type of entry	Single instrument

Short description	Expenses related to educational activities for the maintenance of professional or vocational skills, such as course fees and study materials, are deductible in the personal income tax. Training provided by the employer is usually regarded as tax-free for the employee. Eligible costs reduce taxable income and thereby the tax due according to the applicable marginal tax rates (between 6 % and 31.25 %) for incomes above EUR 17 200. The tax incentive can be re-used once in each calendar year.
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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 make it easier for individuals to maintain and acquire professional or vocational skills

Year of implementation	1992
Operation/management	Tax authorities
Eligible group(s)	Individuals
Group(s) with preferential treatment	No preferential treatment
Education and training eligible	Training with the purpose of maintaining or acquiring professional or vocational skills. Costs for initial/formal vocational and professional training are typically excluded. However, these may be acceptable, especially in cases where the job description changes and the new job requires an upgraded formal degree. The details of which types of trainings can be eligible for the deduction is subject of case law.
Source of financing and collection mechanism	State (loss of tax revenue)
Financing formula and allocation mechanisms	Reduction of tax base
Eligible costs	Course fees, course material etc. are eligible costs. Living expenses and travel costs are not deductible
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	Not available
Recent changes	No recent amendment Recent changes in response to COVID-19 No changes
Sources	https://www.vero.fi/sv-FI/Detaljerade_skatteanvisningar/Skatteforvaltni... https://www.vero.fi/sv-FI/Detaljerade_skatteanvisningar/Skatteforvaltni... https://www.finlex.fi/sv/laki/ajantasa/2010/20100503