

Financing adult learning database

Name of the instrument - Local language	Avdrag för egna utbildningskostnader
Name of the instrument - English translation	Tax deduction for educational costs
Scheme ID	351
Country	 Sweden
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	<p>Individuals are entitled to deduct educational costs of continuing vocational training that is necessary to maintain their current job position from their tax base in case all costs reported in the respective category exceed SEK 5 000 (approx. EUR 470) per year. The state co-funding - in the form of foregone tax revenues - equals eligible costs multiplied by the marginal tax rate (between 32 and 52%). The minimum earning per year required for application is SEK 20 000 (approx. EUR 1 900). Deductions are also allowed for education for which a person receives taxable study allowance. Costs permitted for deductions include study material, course costs and travel costs. Expenses regarding general education, upskilling measures for job changes and costs covered by tax-free allowances or grants are not eligible. The same applicant can re-use the scheme once in each calendar year.</p>
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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	Further instrument

Legal basis	Inkomstskattelag (1999:1229) (12 kap. 1 § IL) https://www.riksdagen.se/sv/dokument-lagar/dokument/svensk-forfattnings...
Objective(s) and target(s)	Not available
Year of implementation	1999
Operation/management	The individual files their income declaration to the Swedish Tax Agency (Skatteverket).
Eligible group(s)	Individuals paying income tax.
Group(s) with preferential treatment	No preferential treatment
Education and training eligible	Continuing vocational training connected to the participant's current economic activity not paid for by the employer, but, if it is shown to be necessary for the work. Continuing education means that already acquired knowledge is maintained and that one acquires such knowledge as is needed to keep up to date with the development of the position one holds. While there is no specific regulation to be found in the law, according to the practice a condition for deduction is that the employee retains his or her salary benefits or a significant part of this from the employer, or that he receives some other comparable taxable compensation during the training period.
Source of financing and collection mechanism	State (loss of tax revenue) and the individual/the household
Financing formula and allocation mechanisms	Full training costs. Training costs need to be declared in the yearly tax statement within the category 'Other costs' in case all costs reported in this category exceed SEK 5 000 (approx. EUR 470) per year.
Eligible costs	Full training costs, including fees, travel costs, costs for accommodation, and course literature, reduce the taxable income.
Volumes of funding	Not available
Beneficiaries/take up	Not available
Organisation responsible for monitoring/evaluation	Skatteverket - Swedish Tax Agency
Most relevant webpage - in English	Not available
Most relevant webpage - local language	https://www4.skatteverket.se/rattsligvagledning/edition/2020.8/326344.h...
Recent changes	No recent amendment Recent changes in response to COVID-19

	No changes
Sources	https://www4.skatteverket.se/rattsligvagledning/edition/2020.8/326344.h...
	https://www4.skatteverket.se/rattsligvagledning/324313.html