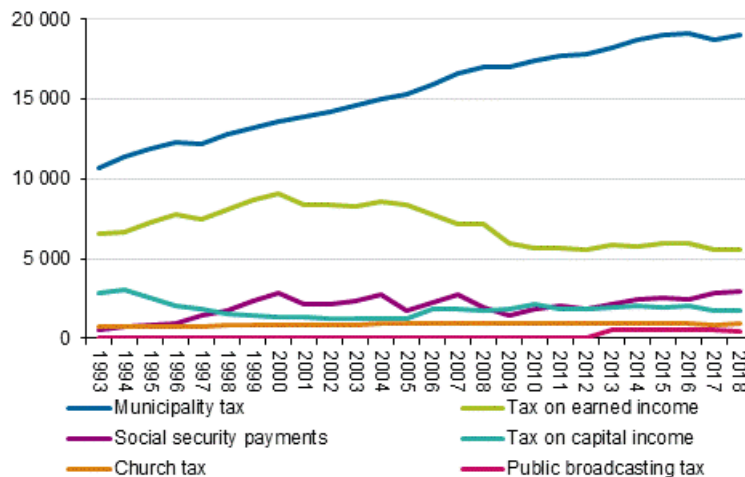


Taxable incomes 2018

Direct taxes grew by 2.4 per cent in 2018

Income earners paid EUR 30.7 billion in direct taxes in 2018, which was in nominal terms 2.4 per cent more than in the year before. They paid EUR 19.0 billion in municipal tax, EUR 5.5 billion in state taxes on earned income, EUR 3.0 billion in taxes on capital income and EUR 492 million in public service broadcasting tax. The amount of municipal taxes grew from the previous year by 2.5 per cent, income tax by 0.4 per cent, taxes on capital income by 6.2 per cent and public service broadcasting tax by 0.5 per cent. Municipal tax was paid by 3.9 million persons, both taxes on earned and capital income by 1.4 million and public service broadcasting tax by 3.4 million persons.

Income earners' direct taxes in 1993 to 2018, EUR million in 2018 money



Direct taxes have increased by 44 per cent in real terms from 1993 to 2018. During the same period, the amount of municipal tax has grown by 78 per cent and its share of direct taxes has increased from 50 to 62 per cent. Income earners paid 15 per cent less taxes on earned income in real terms than in 1993 and that share of taxes decreased in this period from 31 to 18 per cent. The share of capital tax in taxes has varied between close on three to ten per cent. In 2018, it was 9.8 per cent.

Taxable income received by income earners totalled EUR 143.7 billion in 2018, which was 3.2 per cent more than in the previous year. Of taxable income, EUR 132.9 billion were earned income and EUR 10.7

billion capital income. Earned income grew by 2.9 per cent and capital income by 6.4 per cent from the previous year.

Most of taxable income, EUR 88.7 billion or 62 per cent, was earned income. The next biggest group was pension income, 22 per cent or EUR 31.7 billion. From the previous year, wages and salaries grew by 4.2 per cent and pensions by 2.4 per cent. Earned income was received by 2.8 million persons and pension income by 1.7 million persons. EUR 4.1 billion of the income were daily unemployment allowances and other benefits based on unemployment security, which was 12 per cent less than in the previous year. Income earners received a total of EUR 1.3 billion in sickness insurance contributions, EUR 314 billion in child home care allowances and EUR 440 billion in student grants. The amount of student grants received went down by 10.2 per cent and that of child home care allowances by 7.0 per cent from the previous year, while the amount of sickness insurance contributions was unchanged from the year before.

Of capital income, EUR 4.7 billion were transfer gains and EUR 1.8 billion rent income and EUR 1.1 billion capital income from forestry. Transfer gains grew by nine per cent, rent income by 2.9 per cent and capital income from forestry by 42 per cent from the previous year.

Income earners received EUR 4.2 billion gross in dividends taxed as capital income, which was 6.8 per cent more than in the year before. Taxable capital income from dividends amounted to EUR 2.4 billion. Of this, EUR 1.1 billion came from listed, EUR 1.0 billion from unlisted and EUR 259 million from foreign shares. Dividends received from listed companies grew by 7.7 per cent, dividends received from unlisted companies by 10.6 per cent and those received from foreign shares by 10.1 per cent.

Income earners received EUR 805 million in entrepreneurial income from agriculture, EUR 3.0 billion from business activities and EUR 887 million from groups. Income from agriculture grew by 1.3 per cent and income from business activities by 1.8 per cent. Income from groups diminished by three per cent.

The proportion of taxes in taxable income was 21.3 per cent in 2018. Taxes and payments include taxes on earned income and capital income, municipal taxes, church taxes, sickness insurance contributions and public broadcasting tax. In the year before, income earners paid an average of 21.5 per cent in taxes. Wage and salary earners' mandatory pension contributions inclusive of taxes and payments claimed 26.3 per cent of income in 2018 while one year before, the corresponding share was 26.1 per cent.

This publication concerning 2018 is the last publication on taxable incomes. In the future, data about taxable incomes, deductions and taxes are available from the statistical database of the Tax Administration. Data are published on the Tax Administration's website. The statistics of the Tax Administration include also decedents' estates.

Contents

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www.stat.fi/til/tvt/index_en.html
Source: Taxable incomes 2018, Statistics Finland