

# Finland

## Transfer Pricing Country Profile<sup>1</sup>

October 2025

		SUMMARY	REFERENCE
<b>The Arm's Length Principle</b>			
1	Does your domestic transfer pricing framework <sup>2</sup> make reference to the arm's length principle?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<a href="#">Act on Assessment Procedure</a> , Section 31
2	Does your domestic transfer pricing framework give the OECD Transfer Pricing Guidelines any role or status (e.g. legal binding effect, subsidiary application in the absence of domestic legislation, source of interpretation of domestic legislation and/or treaty provisions, other)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<a href="#">Government Bill</a> , (107/2006 vp.) <a href="#">Government Bill</a> , (142/2016 vp.) <a href="#">Government Bill</a> , (188/2021 vp.) <a href="#">KHO 2013:36</a> <a href="#">The FTA's Statement on the OECD TPG</a> as a source of interpretation

<sup>1</sup> Information in transfer pricing country profiles is provided directly by jurisdictions. By publishing the transfer pricing country profiles on the OECD website, the OECD does not certify the accurateness of the information provided therein. Importantly, transfer pricing country profiles published on the OECD website are made available to stakeholders for information purposes only, and are not intended to be used in substitution to a jurisdiction's legal instruments, jurisprudence, or administrative guidance or practice nor relied on as an accurate and complete description of domestic law.

<sup>2</sup> For purposes of transfer pricing country profiles, the term "domestic transfer pricing framework" refers to a jurisdiction's domestic legislation, regulations, administrative guidance or practice, jurisprudence or governing general principles in the jurisdiction.

		Government Bill (188/2021 vp.) updating transfer pricing legislation. In addition, the Supreme Administrative Court has referred to OECD TPG as an interpretation source in several decisions (e.g. KHO 2013:36). Furthermore, The Finnish Tax Administration has given a statement on the OECD TPG as a source of interpretation.													
3	<b>Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<a href="#">Act on Assessment Procedure</a> , Section 31.4												
<b>Transfer Pricing Methods</b>															
4	<b>Does your domestic transfer pricing framework provide for transfer pricing methods to be used in respect of transactions between related parties?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>If affirmative, please check those provided for in your legislation:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>CUP</th> <th>Resale Price</th> <th>Cost Plus</th> <th>TNMM</th> <th>Profit Split</th> <th>Other (<i>If so, please describe</i>)</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other ( <i>If so, please describe</i> )	<input type="checkbox"/>						
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>										
<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation.</p>															
5	<b>Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?</b>	Please check all that apply: <input type="checkbox"/> Hierarchy of methods <input checked="" type="checkbox"/> Most appropriate method													

		<input type="checkbox"/> Other ( <i>if so, please explain</i> )	
		<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation.</p>	
6	<b>Does your domestic transfer pricing framework contain specific guidance on commodity transactions?</b>	<input type="checkbox"/> Yes <ul style="list-style-type: none"> <li><input type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed.</li> <li><input type="checkbox"/> Domestic transfer pricing framework provides for the use of a specific method for controlled transactions involving commodities (<i>if so, please explain</i>)</li> </ul> <input checked="" type="checkbox"/> No	
	<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation.</p>		
<b>Comparability Analysis</b>			
7	<b>Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation.</p>		
8	<b>Is there a preference in your jurisdiction for domestic comparables over foreign comparables?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
9	<b>Does your domestic transfer pricing framework permit the use of secret</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

	comparables for transfer pricing assessment purposes?		
10	Does your domestic transfer pricing framework allow or require the use of an arm's length range and/or statistical measure (e.g. the interquartile range or other percentiles) for determining arm's length remuneration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<a href="#">The FTA's Guidance on Transfer Pricing Documentation</a>
11	Are comparability adjustments required under your domestic transfer pricing framework?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation. The Finnish Tax Administration's Guidance on Transfer Pricing Documentation includes guidance on the use of statistical tools that narrow the range where comparability defects remain, as outlined as well in the OECD TPG.</p>
Intangible Property			
12	Does your domestic transfer pricing framework contain guidance specific to the pricing of controlled transactions involving intangibles?	<input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VI of the TPG? <input type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input checked="" type="checkbox"/> No	<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation.</p>
13	Are there any other rules outside your transfer pricing framework that are	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

	<p><b>relevant for the pricing of controlled transactions involving intangibles?</b></p>	
<b>Hard-to-Value Intangibles<sup>3</sup></b>		
14	<p><b>Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)?</b></p>	<p><input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p>
<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation. Finland's legislation does not contain specific legal reference on HTVI and the Finnish Tax Administration has not issued any recommendations or guidance specific to the matter.</p>		
<b>Intra-group Services</b>		
23	<p><b>Does your domestic transfer pricing framework provide guidance specific to intra-group services transactions?</b></p>	<p><input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VII of the TPG?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p>
<p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation. Please also see the answer to question 24.</p>		
24	<p><b>Does your domestic transfer pricing framework provide for or allow the application of a simplified approach</b></p>	<p><input checked="" type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII?</p> <p><input checked="" type="checkbox"/> Yes</p>
<p><a href="#"><u>The FTA's Guidance on Transfer Pricing Documentation</u></a></p>		

<sup>3</sup> Please note that questions in this section are imported from the HTVI questionnaire and integrated into this TPCP to centralise all jurisdiction-related transfer pricing information.

	<p>for low value-adding intra-group services?</p>	<p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p> <p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation. The Finnish Tax Administration's Guidance on Transfer Pricing Documentation refers to the simplified low value-adding services approach in Chapter VII of the TPG.</p>	
25	<p><b>Are there any other rules outside your transfer pricing framework for pricing intragroup services?</b></p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	
<b>Financial Transactions</b>			
26	<p><b>Does your domestic transfer pricing framework provide guidance specific to financial transactions?</b></p>	<p><input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter X of the TPG?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p> <p>The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation. Regarding domestic case law, the Finnish Tax Administration has given a statement on the OECD guidance on financial transactions.</p>	<p><a href="#">The FTA's Statement on the OECD guidance on financial transactions</a></p>
27	<p><b>Are there any other rules outside your transfer pricing framework that are relevant for the tax treatment of financial transactions? (e.g. whether your jurisdiction has implemented the measures in BEPS Action 4 to limit interest deductions and other financial payments or any similar rules)</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Finland's legislation contains provisions that restrict the deductibility of interest payments in specific circumstances. There are also provisions related to hybrid mismatch arrangements that may, among other things, apply to financial transactions. All of the mentioned rules are outside transfer pricing rules.</p>	<p>For interest deductions: <a href="#">Sections 18a-18b of Act on the Taxation of Business Income</a></p> <p>For hybrid mismatch arrangements: <a href="#">Act on Taxation of Certain Cross Border Hybrid Mismatch Arrangements</a></p>

## Cost Contribution Arrangements

28	<p><b>Does your jurisdiction allow cost contribution arrangements?</b></p>	<p><input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VIII of the TPG?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p> <p>There is no specific legislation on cost contribution agreements and the Finnish Tax Administration has not issued any recommendations or guidance specific to the matter. The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation.</p>	
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## Transfer Pricing Documentation

29	<p><b>Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation?</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><i>If affirmative, please check all that apply:</i></p> <p><input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return)</p> <p><input type="checkbox"/> Other (specify):</p>	<p>For transfer pricing documentation: <a href="#">Act on Assessment Procedure</a>, Sections 14a-14c</p> <p>For CbCR: <a href="#">Act on Assessment Procedure</a>, Sections 14d-14e</p> <p><a href="#">The FTA's Guidance on Transfer Pricing Documentation</a></p> <p><a href="#">The FTA's Guidance on Country-by-Country reporting</a></p> <p><a href="#">Form 78, Explanation of Transfer Prices</a></p>
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30	<p><b>Please briefly explain the relevant requirements related to each transfer pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.)</b></p>	<p>The taxpayer should present master file and local file within 60 days of the request by the tax authorities. However, the annual set of documentation for the tax year is not required earlier than 6 months after the end of the accounting period. Documentation in English, Finnish or Swedish is accepted.</p> <p>Finland's legislation follows the OECD model legislation for CbC reporting. The qualifying taxpayer has to file the CbC report within one year after the closing of the fiscal year that is covered in the CbC report, and the CbC notification no later than on the last day of the fiscal year that is covered in the CbC report. CbC reports and notifications may be filed in English, Finnish or Swedish.</p> <p>Explanation of Transfer Prices (form 78) is filed as an annex of the corporate income tax return which must be filed within 4 months from the end of the accounting period. The form 78 may be filed in English, Finnish or Swedish.</p>	<p>Master file, local file and CbCR:</p> <p><a href="#">Act on Assessment Procedure</a>, Sections 14a-14e</p> <p><a href="#">The FTA's Guidance on Transfer Pricing Documentation</a></p> <p><a href="#">The FTA's Guidance on Country-by-Country reporting</a></p> <p><a href="#">Form 78, Explanation of Transfer Prices</a></p>
31	<p><b>Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><a href="#">Act on Assessment Procedure</a>, Section 32 and 32a</p>
32	<p><b>Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><a href="#">Act on Assessment Procedure</a>, Sections 14a and 14b</p> <p><a href="#">The FTA's Guidance on Transfer Pricing Documentation</a></p> <p>Small companies and SMEs (in accordance with the definition of the recommendation of the Commission of 6 May 2003, 2003/361/EC) are not required to prepare transfer pricing documentation. In addition, if the total arm's length amount of the taxpayer's controlled transactions in relation to any of its related parties does not exceed EUR 500.000 during a fiscal year, there is no requirement to submit a master file. In addition, if the arm's length amount of the taxpayer's controlled transactions with a related counterparty does not exceed EUR 500.000 during a fiscal year, there is no requirement to submit a functional analysis, a comparability analysis, and data on</p>

		comparables available or a description of the transfer pricing method and its application for those transactions.	
<b>Administrative Approaches to Avoiding and Resolving Disputes</b>			
33	<b>Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?</b>	<p>Please check those that apply:</p> <p><input checked="" type="checkbox"/> Rulings</p> <p><input checked="" type="checkbox"/> Enhanced engagement or cooperative compliance programmes</p> <p><input checked="" type="checkbox"/> Advance Pricing Agreements (APA)</p> <p><input checked="" type="checkbox"/> Unilateral APAs</p> <p><input checked="" type="checkbox"/> Bilateral APAs</p> <p><input checked="" type="checkbox"/> Multilateral APAs</p> <p><input checked="" type="checkbox"/> International Compliance Assurance Programme (ICAP)</p> <p><input checked="" type="checkbox"/> Mutual Agreement Procedures</p> <p><input checked="" type="checkbox"/> Other (<i>please specify</i>):</p>	<p><a href="#"><u>Act on International Tax Dispute Resolution Procedure</u></a></p> <p><a href="#"><u>Act on Assessment Procedure, Sections 85 and 85a</u></a></p> <p><a href="#"><u>Finnish Government Decree on the International Tax Dispute Resolution Procedure</u></a></p> <p><a href="#"><u>The FTA's Guidance on international dispute resolution</u></a></p> <p><a href="#"><u>Finland's MAP Profile</u></a></p> <p><a href="#"><u>The FTA's information on Pre-emptive Discussion and Cross-Border Dialogue</u></a></p>

	<p>With regard to “Mutual Agreement Procedures”, in transfer pricing cases the mutual agreement procedure can either be based on the articles of an applicable tax treaty (corresponding Article 25 of the OECD model tax treaty), or on the provisions of the EU Arbitration Convention (90/436/EEC), or on the tax dispute resolution mechanisms in the European Union under Directive EU 2017/1852.</p> <p>The Finnish Act on International Tax Dispute Resolution Procedure (Laki kansainvälisen veroriiitojen ratkaisumenetelmästä (530/2019)), effective as of 30 June 2019, sets out rules on the MAP both in relation to the competent authority and the taxpayer.</p> <p>The Finnish Tax Administration has also issued guidance on tax disputes which is also applicable to transfer pricing cases. The MAP profile of Finland also includes further information.</p> <p>With regard to “Other” mechanisms available, the Finnish Tax Administration may also engage taxpayers with Pre-emptive Discussion or with Cross-Border Dialogue. The Pre-emptive Discussion aims to provide the taxpayer with guidance to comply with the tax legislation. The Pre-emptive Discussion is a part of Finnish Tax Administration's preliminary guidance and is based on authority's obligation to guide the taxpayers. In international tax matters, taxpayer may request for a Cross-Border Dialogue, which is also a pre-emptive measure. The goal of the Cross-Border Dialogue is to solve the taxpayers' tax matter cross-border. When a Cross-Border Dialogue is launched, the participants of such discussions and those solving the matter would be the tax authorities of two or more countries, the taxpayer itself and/or its representatives. The positions of the tax authorities would be based on the interpretation of each country's domestic tax legislation.</p>	
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### Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities

34	<p><b>Does your domestic transfer pricing framework allow the application of the simplified and streamlined approach for baseline marketing and distribution activities in the relevant Annex of Chapter IV of the TPG?<sup>4</sup></b></p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Other (please elaborate)	<p>For further information, please visit <a href="#">the FTA's webpage on OECD Pillar One</a></p>
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<sup>4</sup> In the case of jurisdictions that do not apply the simplified and streamlined approach (i.e. they responded “no” to question 34), it is not necessary to respond to questions 35, 36 and 38 and these questions will not be published as part of jurisdiction's transfer pricing country profile.

37	<b>Does your jurisdiction respect the outcome of the application of the simplified and streamlined approach by a covered jurisdiction in line with the Inclusive Framework political commitment?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Safe Harbours and Other Simplification Measures</b>			
39	<b>Does your jurisdiction provide for any safe harbours or other simplification measures in respect of certain industries, types of taxpayers, or types of transactions (not listed in other sections of this questionnaire)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Other Legislative Aspects or Administrative Procedures</b>			
40	<b>Does your domestic transfer pricing framework allow downward corresponding adjustments in the absence of a mutual agreement procedure (e.g. unilateral corresponding adjustments)?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<a href="#">Section 75.2 of Act on Assessment Procedure</a>
		The Finnish Tax Administration may grant a downward adjustment under Act on Assessment Procedure, § 75.2, if after examination the FTA considers the primary adjustment to be justified and only in an amount that the FTA considers to result in an arm's length outcome.	
41	<b>Does your domestic transfer pricing framework allow or require taxpayers to make year-end adjustments?</b>	<input type="checkbox"/> Yes. Year-end adjustments are required. <input checked="" type="checkbox"/> Yes. Year-end adjustments are allowed. <input type="checkbox"/> No	
		The OECD Transfer Pricing Guidelines are a source of interpretation with respect to tax treaties and domestic legislation.	
42		<input checked="" type="checkbox"/> Yes	

	<p><b>Does your domestic transfer pricing framework provide for secondary adjustments?</b></p>	<p><input type="checkbox"/> No</p> <p>Under Act on Taxation of Non-residents Income, § 3.2, the amount of upward adjustment under Act on Assessment Procedure, § 31 (transfer pricing adjustment) will be treated as dividend in very limited circumstances and taxed accordingly under the provisions of the Act (e.g. tax at source).</p>	
<b>Attribution of Profits to Permanent Establishments</b>			
43	<p><b>Which version of Article 7 of the OECD Model Tax Convention on Income and on Capital do your tax treaties contain?</b></p>	<p><input checked="" type="checkbox"/> Article 7 as it read before 2010.</p> <p><input checked="" type="checkbox"/> If so, please indicate in how many treaties: In approximately 60 treaties</p> <p><input type="checkbox"/> Article 7 as it reads after 2010.</p> <p><input type="checkbox"/> If so, please indicate in how many treaties:</p> <p><input type="checkbox"/> Other (please provide additional details)</p>	
44	<p><b>For tax treaties containing Article 7 as it read before 2010, does your jurisdiction apply the authorized OECD approach (AOA)?</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please explain the approach used and which tax treaties are concerned)</p> <p>Currently, none of Finland's tax treaties contain Article 7 as it reads after 2010. Finland applies the OECD Commentary and the Report on the Attribution of Profits to Permanent Establishments published in 2008, provided that they do not conflict with Article 7 of the applicable tax treaty.</p>	

45	<p><b>Does your domestic transfer pricing framework contain specific guidance for the attribution of profits to permanent establishments of non-resident entities? If so, please provide a summary of the main features of this guidance.</b></p>	<p><input checked="" type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they do not follow the AOA (please provide a summary of the main features of these rules)</p> <p><input type="checkbox"/> No</p>	<p><a href="#"><u>The FTA's Guidance on Attribution of Income to Permanent Establishment</u></a></p>
<b>Other Relevant Information</b>			
46	<p><b>Other legislative aspects or administrative procedures regarding transfer pricing</b></p>	N/A	
47	<p><b>Other relevant information (e.g. whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire)</b></p>	N/A	

For more information, please visit: <https://www.oecd.org/en/topics/sub-issues/transfer-pricing/transfer-pricing-country-profiles.html>