

# Sweden

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

October 2025

		SUMMARY	REFERENCE
<b>The Arm's Length Principle</b>			
1	<b>Does your domestic transfer pricing framework<sup>2</sup> make reference to the arm's length principle?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Please see Section 14 para 19 of the <a href="#">Swedish Income Tax Act</a> (1999:1229).
2	<b>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)?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	There is a reference to the OECD TPG in decisions by the Supreme Court (RÅ 1991 ref. 107 and HFD 2016 ref. 45). Also, in the preparatory work to the transfer pricing documentation legislation a reference is made to the transfer pricing methods described in the OECD TPG.
3	<b>Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Please see Section 14 para 20 of the <a href="#">Swedish Income Tax Act</a> (1999:1229).

<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.

	<p><b>pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.</b></p>	<p>Parties shall be considered related if:</p> <p>A party, directly or indirectly, participate in the management or monitoring of another party's enterprise, or owns shares in that enterprise, or</p> <p>The same persons, directly or indirectly, participate in the management or monitoring of both enterprises, or own shares in those enterprises.</p>													
<h3>Transfer Pricing Methods</h3>															
4	<p><b>Does your domestic transfer pricing framework provide for transfer pricing methods to be used in respect of transactions between related parties?</b></p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If affirmative, please check those provided for in your legislation:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; padding: 2px;">CUP</th> <th style="text-align: center; padding: 2px;">Resale Price</th> <th style="text-align: center; padding: 2px;">Cost Plus</th> <th style="text-align: center; padding: 2px;">TNMM</th> <th style="text-align: center; padding: 2px;">Profit Split</th> <th style="text-align: center; padding: 2px;">Other (<i>If so, please describe</i>)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center; padding: 2px;"><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"/>	<p>With respect to decisions by the Swedish Supreme Administrative Court, please see cases RÅ 1991 ref. 107 and HFD 2016 ref. 45.</p>					
		CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other ( <i>If so, please describe</i> )								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>										
	<p>Sweden considers the TPG implemented by decisions by the Swedish Supreme Administrative Court. Therefore, the methods outlined above, including the use of other methods, are used.</p>														
5	<p><b>Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?</b></p>	<p>Please check all that apply:</p> <p><input type="checkbox"/> Hierarchy of methods</p> <p><input checked="" type="checkbox"/> Most appropriate method</p> <p><input type="checkbox"/> Other (<i>if so, please explain</i>)</p>													
		<p>Sweden does follow the OECD TPG on the criteria for the application of the methods.</p>													

6	<p><b>Does your domestic transfer pricing framework contain specific guidance on commodity transactions?</b></p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed.</p> <p><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>)</p> <p><input checked="" type="checkbox"/> No</p>	
<b>Comparability Analysis</b>			
7	<p><b>Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
8	<p><b>Is there a preference in your jurisdiction for domestic comparables over foreign comparables?</b></p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	
9	<p><b>Does your domestic transfer pricing framework permit the use of secret comparables for transfer pricing assessment purposes?</b></p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	
10	<p><b>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?</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p>It is not allowed explicitly, but the interpretation of the TPG indicates that arm's length range and/or statistical measures can be applied where appropriate.</p>

11	Are comparability adjustments required under your domestic transfer pricing framework?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Intangible Property</b>			
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	
13	Are there any other rules outside your transfer pricing framework that are relevant for the pricing of controlled transactions involving intangibles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Hard-to-Value Intangibles<sup>3</sup></b>			
14	Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)? <sup>4</sup>	<input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG? <input type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input checked="" type="checkbox"/> No	<a href="#">HTVI Implementation Questionnaire</a>
		However, even though no specific legislation has been introduced to adopt the HTVI approach, it may nonetheless, in relevant parts, be considered as guidance for the application of the arm's length principle in Swedish domestic legislation.	

<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.

<sup>4</sup> In the case of jurisdictions that do not apply the HTVI approach (i.e. they responded “no” to question 14), it is not necessary to respond to the remaining questions in the HTVI section and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

## Intra-group Services

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 style="margin-left: 20px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 20px;"><input type="checkbox"/> No (please provide further explanations below)</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> No</p>	
Sweden does follow the guidance contained in the OECD TPG on intra-group services transactions.			

24	<p><b>Does your domestic transfer pricing framework provide for or allow the application of a simplified approach for low value-adding intra-group services?</b></p>	<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII?</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> Yes</p> <p style="margin-left: 40px;"><input type="checkbox"/> No (please provide further explanations below)</p> <p style="margin-left: 20px;"><input type="checkbox"/> No</p>	
25	<p><b>Are there any other rules outside your transfer pricing framework for pricing intragroup services?</b></p>	<p style="margin-left: 20px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> No</p>	

## Financial Transactions

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 style="margin-left: 20px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 20px;"><input type="checkbox"/> No (please provide further explanations below)</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> No</p>	
Sweden does follow the guidance contained in the OECD TPG on financial transactions.			
27		<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Yes</p>	

	<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>	<input type="checkbox"/> No <p>The Swedish Income Tax Act contains targeted rules limiting interest deduction in certain circumstances and general limitation on the deduction of financial expenses consistent with standards in BEPS Action 4.</p>	<p>Please see Section 24 para 16-29 and Section 24 a of the <a href="#">Swedish Income Tax Act</a> (1999:1229).</p>
<b>Cost Contribution Arrangements</b>			
28	<p><b>Does your jurisdiction allow cost contribution arrangements?</b></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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	
<b>Transfer Pricing Documentation</b>			
29	<p><b>Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation?</b></p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>If affirmative, please check all that apply:</p> <input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG <input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG <input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG <input type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return) <input type="checkbox"/> Other (specify):	<p>Please see Section 39 para 15–16 <a href="#">Skatteförfarandelagen</a></p>
30	<p><b>Please briefly explain the relevant requirements related to each transfer</b></p>	<p>The master file and the local file should be prepared by the taxpayer but must only be submitted to the tax authorities upon request. The local file shall be prepared, at</p>	<p>Please see <a href="#">Skatteförfarandelagen</a></p>

	<b>pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.)</b>	<p>the latest, by the date the company must file its income tax return to the tax authorities. The master file shall be prepared, at the latest, by the date when the parent company must file its income tax return. The documentation shall be prepared in Swedish, Norwegian, Danish or English.</p> <p>The country-by-country report should be filed no later than 12 months after the last day of the reporting fiscal year of the MNE group.</p>	
31	<b>Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?</b>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>There are no specific penalties for not preparing transfer pricing documentation per se. However, should the company's transfer pricing be subject to an audit by the Swedish Tax Agency, penalties may apply. Should the assessment by the result in additional tax, penalties of 40% of the additional tax imposed generally apply if insufficient/incorrect information has been provided in the company's tax return</p>	
32	<b>Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?</b>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Transactions that are unimportant do not have to be documented in the local file. Transactions a Swedish company has with a related foreign company is always considered unimportant if the total value of the transactions under the fiscal year concerned is below SEK 5 000 000. This exception does not apply when the transaction concerns intangible property, unless the intangible property concerned is unimportant to the business of the company.</p> <p>Micro, small and medium-sized companies (according to the definition in the Commission recommendation of 6 May 2003 (2003/361/EC) concerning the definition of micro, small and medium-sized enterprises) are not obligated to prepare transfer pricing documentation.</p>	<p>Please see Section 39 para 15–16 <a href="#">Skatteförfarandelen</a></p>
<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 type="checkbox"/> Rulings</p> <p><input type="checkbox"/> Enhanced engagement or cooperative compliance programmes</p>	<p>Please see <a href="#">Lagen om prissättningsbesked vid internationella transaktioner (2009:1289)</a>.</p> <p>The <a href="#">Swedish tax treaties</a></p>

	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Advance Pricing Agreements (APA)           <ul style="list-style-type: none"> <li><input type="checkbox"/> Unilateral APAs</li> <li><input checked="" type="checkbox"/> Bilateral APAs</li> <li><input checked="" type="checkbox"/> Multilateral APAs</li> </ul> </li> <li><input type="checkbox"/> International Compliance Assurance Programme (ICAP)</li> <li><input checked="" type="checkbox"/> Mutual Agreement Procedures</li> <li><input type="checkbox"/> Other (<i>please specify</i>):</li> </ul>	<a href="#">Sweden's MAP Profile</a>
<b>Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities</b>		

<b>34</b>	<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?</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Yes</li> <li><input type="checkbox"/> No</li> <li><input checked="" type="checkbox"/> Other (please elaborate)</li> </ul> <p>The simplified and streamlined approach for baseline marketing and distribution activities is under consideration.</p>	
<b>35</b>	<b>If your domestic transfer pricing framework allows the application of the simplified and streamlined approach, how is it implemented?</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> In-scope tested parties resident within the jurisdiction can elect to apply the simplified and streamlined approach (i.e. safe harbour)</li> <li><input type="checkbox"/> In-scope tested parties resident within the jurisdiction are required to follow the simplified and streamlined approach for in-scope qualified transactions and tax administrations are allowed to impose the application of the simplified and streamlined approach to in-scope qualified transactions of tested parties resident within their jurisdiction (i.e. rule)</li> <li><input checked="" type="checkbox"/> N/A</li> </ul>	

36	<p><b>If your domestic transfer pricing framework allows the application of the simplified and streamlined approach, what is the operating expense to sales (OES) upper bound chosen by your jurisdiction regarding scoping criterion 13.b?</b></p>	<input type="checkbox"/> 20% <input type="checkbox"/> 30% <input type="checkbox"/> Other (please specify) <input checked="" type="checkbox"/> N/A	
37	<p><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></p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Subject to the Swedish domestic legislation and administrative practices, we will respect the outcome determined under the simplified and streamlined approach to in-scope transactions where such approach is applied by a covered jurisdiction and will take all reasonable steps to relieve potential double taxation that may arise from the application of the simplified and streamlined approach where there is a bilateral tax treaty in effect between Sweden and the relevant jurisdiction.</p>	
38	<p><b>If your domestic transfer pricing framework allows the application of the simplified and streamlined approach for resident in-scope tested parties, does your jurisdiction respect the outcome of the application of such approach by another jurisdiction that is not a covered jurisdiction?</b></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
<b>Safe Harbours and Other Simplification Measures</b>			
39	<p><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></p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

## Other Legislative Aspects or Administrative Procedures

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	<p>Sweden allows for downward corresponding adjustments in case this is stipulated in a tax treaty with the other jurisdiction. However, a prerequisite for the downward adjustment is, in general, that the Swedish Tax Agency considers the upward adjustment in the corresponding jurisdiction to be at arm's length.</p>
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	
42		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Sweden does follow the TPG. Where it is necessary for reaching an arm's length result, year-end adjustments are allowed and expected. Moreover, if the result of a business indicate that its transfer prices have not been at arm's length, and this is confirmed in an audit, then the Swedish Tax Agency may adjust the price.
<b>Attribution of Profits to Permanent Establishments</b>			
43	<b>Which version of Article 7 of the OECD Model Tax Convention on Income and on Capital do your tax treaties contain?</b>	<input checked="" type="checkbox"/> Article 7 as it read before 2010. <input checked="" type="checkbox"/> If so, please indicate in how many treaties: Most Swedish tax treaties. <input checked="" type="checkbox"/> Article 7 as it reads after 2010. <input checked="" type="checkbox"/> If so, please indicate in how many treaties: Only a few Swedish tax treaties. <input type="checkbox"/> Other (please provide additional details)	<p>In general, the Swedish tax treaties follow the OECD MTC.</p> <p>Sweden only has a few tax treaties based on the new version of Article 7 (OECD</p>

		<p>MTC 2010 and later). In these cases, Sweden follows the principles of the AOA.</p> <p>Where the old tax treaties do not contain the new version of Article 7 (OECD MTC 2010 and later), Sweden still follows the AOA for attribution of profits to PEs. In these cases, Sweden seeks relevant guidance in the Report on the Attribution of Profits to Permanent Establishments from the 17 June 2008.</p> <p>It can also be noted that Sweden has made an observation on the Commentary to Article 7 of the OECD MTC with respect to the different approaches for attributing “free” capital.</p>	
44	<b>For tax treaties containing Article 7 as it read before 2010, does your jurisdiction apply the authorized OECD approach (AOA)?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please explain the approach used and which tax treaties are concerned)	
45	<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>	<input type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments <input type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments <input type="checkbox"/> Yes, they do not follow the AOA (please provide a summary of the main features of these rules) <input checked="" type="checkbox"/> No	
<b>Other Relevant Information</b>			
46	<b>Other legislative aspects or administrative procedures regarding transfer pricing</b>	N/A	
47	<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>	N/A	

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