

Income self assessment and taxes in Sweden

This pamphlet gives you a broad picture of
the Swedish tax system and how it is run.
It also tells you how to declare
your income and pay tax on it.



How things work

Taxes have been around in Sweden since the Viking era. Our present system of income tax dates from the beginning of the 20th century.

We have other taxes besides tax on earnings. For example, we pay various taxes when we shop, including Value Added Tax (VAT). You can read more about our other taxes on pages 6 and 7.

Your employer deducts tax from your wage

When you work, your employer deducts tax before you get your wage. Your wage slip shows how much your tax is. Employers pay this amount of tax to the Tax Agency every month. At the same time, they pay in employer contributions for each employee.

If your income varies from month to month, e.g. because of summer jobs, you can have your tax reduced (amended calculation of the tax deducted, known as "adjustment"). The Tax Agency can give you further information about this.

When you have worked for 12 months, you will get an **income statement** from your employer at the beginning of the following year. The employer sends the same information to the Tax Agency. The statement shows your wage for the entire year and the amount of tax you have paid. In addition, you will be sent income statements from banks etc., showing the amount of interest you have received on your capital and how much tax the bank has deducted from this interest. Interest on capital is taxable. You will also be informed how much interest you have paid.

In April the Tax Agency sends you a self assessment (tax return) form. Much of the information on this form is already filled in. You must check this information. You must hand in your tax return to the Tax Agency not later than 2 May. You can declare electronically on the Internet, by phone or sms or on a paper form.

The Tax Agency then goes through your self assessment and checks it against the information that has come in from your employer and from banks, etc. Much of this work is done by computer. If the Tax Agency is unsure about something in your self assessment, you will usually get a letter containing questions that you must answer.

In the middle of June or after the summer the Tax Agency will notify you of the result of the check. You will also be told if you have paid too little tax or will be getting money back.

See pages 4–5 for further details of this procedure.

Political decisions govern taxes

Our taxes and tax rates are decided by the politicians in the *Riksdag* (Swedish parliament) and by the municipalities and county councils. Collection of taxes is the duty of the Tax Agency, which has offices all over the country.

Taxes go to the state, the county councils and the municipalities, and are used to pay society's expenses for things like education, care, defence and public administration. Much of the tax is returned in the form of pensions and benefits of various kinds. On the back page, you can find out more about how the taxpayer's money is used in Sweden.

The Swedish Tax Agency



The Swedish Tax Agency has office in many parts of the country. The number of employees is just over 10,000.

The Tax Agency is accountable to the Government (Ministry of Finance) but is an independent authority. The Government cannot influence individual tax cases.

If you need information or forms and brochures, you should ask at the Tax Agency. They will also help you fill in forms. You can also use our website www.skatteverket.se.

Guidance and checks

The tax administration envisages “a society in which everyone wants to do their share”. We know that most people are prepared to pay their taxes as long as everyone or nearly everyone does so. If we want to make sure that people remain willing to pay tax it is important that taxpayers are given proof that cheating is not worthwhile. For this reason, we try to make sure that the information sent in to the Tax Agency is, as far as possible, correct from the start. To this end, the Tax Agency provides **guidance** and performs **checks**.

The aim of the guidance we provide is to make it easier for everyone to avail themselves of their rights and to fulfil their obligations, e.g. by using information in brochures or on our website.

Checks are intended to deter people from cheating. If people and companies see proof that checks work, more people are willing to pay their taxes. Checking also enables us to correct mistakes found in the information sent in.

Population registration

Everyone who lives in Sweden is registered in the population register (*folkbokföring*). The register contains details on all who live in Sweden and where they live. Population registration is one of the tasks of the Tax Agency.

The aim of population registration. Population registration is very important to you. The fact that you are registered, and where you are registered, affects many of your rights and obligations, including the right to child allowance and health insurance. Population registration also allows you to prove your identity and family circumstances, etc., by means of a population registration certificate (*personbevis*) and other extracts from the records.

An important task of the population registration service is to ensure that society has up-to-date information on the population. Information is passed on to other official bodies from the Tax Agency’s population registers.

Information in the registers. The tax office records incoming cases in the population register. Details such as name, address, date of birth, family circumstances and place of residence is registered for each individual. Everyone registered in Sweden is given a national identity number (*personnummer*) consisting of the date of birth (yy/mm/dd) followed by a four-figure number for each individual.

The information in the national registers largely comes from the authorities. Hospitals, for example, tell the Tax Agency when a child is born, and registrars report marriages.

In some cases, the information is of a kind that you yourself must provide. For example, you have to report a move within one week, and the names of newborn babies have to be reported within three months of birth.

Filing an income tax return

Specifikation till Inkomstdeklaration 1 för inkomstår 2008 Sid 1

Namn _____ Person-/Organisationsnummer _____

Inkomstdeklaration 1 2009
Inkomståret 2008

Hos Skatteverket senast 4 maj

Skatteuppgiften

I "Dags att deklarerar" får du svar på de flesta av dina frågor.

Kontrollera beloppen som Skatteverket fyllt i. Om ett belopp är fel, stryk det och fyll i rätt belopp i den vita rutan. Fyll i totalbeloppet, dvs. summan av det ifyllda beloppet och din ändring.

Person-/Organisationsnummer _____

1 Inkomster - Tjänst Belopp i kronor

Lön, hörmånst, sjukpenning m.m.	03	
Kostnadsersättning	05	
Allmän pension och tjänstepension	14	
Privat pension och livränta	15	
Andra inkomster som inte är pensionsutgående	16	
Inkomster, tax, hobby, som du själv ska betala skattavgifter för	19	
Inkomst enligt blankett K10, K10A och K13	22	

2 Avdrag - Tjänst

Restor till och från arbetet Du får avdrag endast för den del som överstiger 8 000 kr. Fyll i totalbeloppet. (Skatteverket minskar automatiskt ditt avdrag med 8 000 kr.)	01	
Tjänsteresor	08	
Tidligt arbete, dubbel bostättning och hushåll	09	
Övriga utgifter Du får avdrag endast för den del som överstiger 5 000 kr. Fyll i totalbeloppet. (Skatteverket minskar automatiskt ditt avdrag med 5 000 kr.)	06	

3 Inkomster - Kapital Belopp i kronor

Ränteinkomster, udelningar m.m. Vinast enligt blankett K4 avsnitt C.	50	
Överskott vid uthyrning av privatbostad	51	
Vinast fondandelar Vinast enligt blankett K4 avsnitt A och B, K10, K10A, K12, avsnitt B och K13.	54	
Vinast ej marknadsnoterade fondandelar Vinast enligt blankett K4 avsnitt D, K9, K12 avsnitt E och K15A,B.	64	
Vinast enligt blankett K5 och K6. Återfört uppskov från blankett K2.	65	
Vinast enligt blankett K7 och K8	75	

4 Avdrag - Kapital

Ränteutgifter m.m. Förut enligt blankett K4 avsnitt C.	53	
Förvaltningsutgifter Du får avdrag endast för den del som överstiger 1 000 kr. Fyll i totalbeloppet. (Skatteverket minskar automatiskt ditt avdrag med 1 000 kr.)	61	

Spåra den ena som kapital

Skatteverket

Everyone receiving an income is required to file a tax return (self assessment) the year after the income year. The income year is the year in which the income (e.g. wages or pensions) is paid out and your employer – or whoever pays out your pension – makes a tax deduction for it.

At the beginning of April, the Tax Agency will send you:

- **A tax return form**

Everyone required to declare income will receive a tax return form, 'Inkomstdeklaration'. Many particulars on the form have already been filled in by the Tax Agency (Skatteverket).

- **An income specification**

This is a list itemising the income statements (kontrolluppgifter) sent to both you and the Tax Agency.

- **A preliminary tax estimate**

You will also get a preliminary estimate of your tax. It will be based on the information the Tax Agency has filled in on your tax return.

- **Payment slips**

In addition, you will be sent tax payment slips that you can use if you need to pay more tax.

Declare your income on the Internet or by phone

Most taxpayers can file their tax returns on the Internet. Visit www.skatteverket.se to find out who can use this service and how to proceed it.

To file your tax return on the Internet you go into www.skatteverket.se (E-tjänster → Inkomstdeklaration).

If you don't need to make any changes, you can approve your income tax return by telephone (020-567 100) or via sms (711 44).

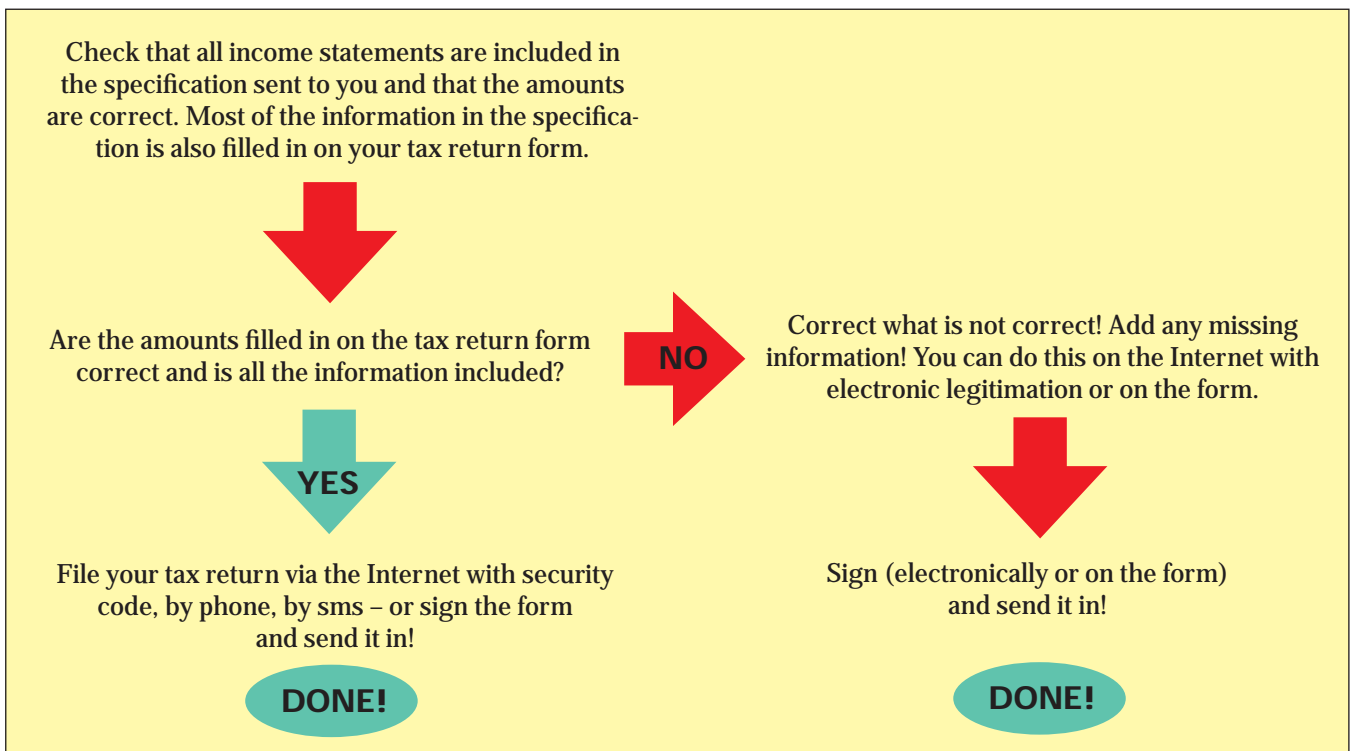
Last day!
2 May
by 24.00

If 2 May is a Saturday or Sunday, tax returns must be submitted by Monday at the latest.

Income year	Assessment year (the year after the income year)	
January–December	January	May
All the income you have received during this year must be declared in the following year's income tax return.	In January, you will be sent income statements for your earnings the previous year. Your employer sends the income statement both to you and to the Tax Agency. You will be sent your tax return form in April.	By 2 May at the latest the Tax Agency must have received your income tax return.



How to fill out the form:



Tax refund

If you are salaried or a pensioner you can receive your tax refund by June. But to do this you must

- file your tax return via the Internet, phone or sms and
- have specified a bank account for refund of tax.

Everyone has a tax account

The tax account provided by the Tax Agency shows your preliminary tax figure based on income statements as well as your own tax payments, your final tax figure and other details.

Skatteverket
Skattekontoret Wistad
Box 122
123 45 Wistad
Skatteupplysningen 0771-567 567

Besked Slutlig skatt enligt 2009 års taxering

Kommun		Wistad		Person-Orig.-Reg.nr		580303-2805	
Tän	Kon	Fors	Region	Kontor	Sak	Grupp	
01	84	01	01	21	P01	99	

Uppges utöver namn och adress vid skriftväxling
Andersson, Margareta
Badhusplanen 2
123 48 Wistad

Skatteverket
Skattekontoret Wistad
Box 122
123 45 Wistad
Skatteupplysningen 0771-567 567

Kontoutdrag
Datum 2009-08-03
Skattekontonummer 580303-2805

Vid inbetalning:
Plusgiro 489 01 03-7
Bankgiro 5050-1055

Ditt referensnummer (OCR):
19580303280541
1958030328054

Ditt konto vid utbetalning:
9999-99 999 99

Andersson, Margareta
Badhusplanen 2
123 48 Wistad

June

In June a final tax statement (slutskattebesked) and a statement of account (kontoutdrag) are sent out to most employees and pensioners who have filed a tax return, via the Internet, by phone or by sms and who are due to get a refund. This applies only to those who have specified a bank account.

August - September

By September at the latest, final tax statements and statements of account are sent out to most people who have sent in an income tax return and who have not received a final tax statement in June. Those who have paid too much tax will now get their money back.

December

By mid-December at the latest, final statements and statements of account are sent out to those who did not get them before. Those who have paid too much will now get their money back.



Swedish taxes and contributions

Tax on income from employment

Income from employment is the sum of all earnings connected with your own work. This category includes:

- **Cash payments:** wages, sickness benefit and pension.
- **Fringe benefits:** car benefit and food vouchers.

You must declare your income from employment on your self assessment (tax return) form – see pages 4–5.

The tax on income from employment comprises **municipal tax** and **state tax**. Most people only pay municipal tax. The amount varies (approx. 29–35 per cent tax) depending on where in the country you live. State tax is paid by those with an income of more than approx. SEK 340 000 in the income year 2008 – approx. SEK 380 000 in income year 2009 – (20–25 per cent tax). In addition, everyone pays a **general pension contribution** (7 per cent).

Relatively few deductions available

You can only deduct expenses that are directly linked to your work. You are never allowed deductions for personal living expenses. The most common deductions are for travel to and from work.

Tax on capital income

Capital income includes:

- Interest and dividends
- Profits from sale of shares, houses and tenant-ownership rights.

You must declare your capital income on the self assessment form. The tax on capital income is 30 per cent. If you have taken a loan you may deduct the interest paid in your tax return.

Sale of houses and tenant-ownership rights

If you have sold your home, twenty-two thirtieths (22/30) of the profit is taxable. You can obtain a tax deferment (*uppskov*) if you buy an equivalent home no

later than the year after the sale. If you have made a loss on the sale of your home you can deduct 50 per cent of the loss when filling in your income tax return form.

Property charge and property tax

Property charge on residences

A municipal property charge is imposed on residences in small houses (detached and semi-detached houses, small houses on farms) and residential flats in apartment blocks.

The property charge for small houses is SEK 6 000 for the income year 2008. The charge is index-linked and will be SEK 6 362 for the income year 2009. However the property charge for small houses is never more than 0,75 per cent of the tax assessment value.

Property tax on other properties

On real properties other than residences state property tax is payable. These include detached or semi-detached houses or flats under construction and unbuilt plots for these.

The property tax on small houses under construction and on unbuilt plots for these is 1 per cent of the tax assessment value.

Property tax assessment

Every property is supposed to have a tax assessment value equivalent to about 75 per cent of the market value.

The tax assessment value is decided by the Tax Agency. **General property tax assessment** takes place every six years following a rolling schedule for the property category concerned, at which time all property owners must submit a property self-assessment.

Simplified property tax assessment is carried out midway between two general property tax assessments. Many property owners receive a proposed assessment in connection with the simplified property tax assessment. If the information in the proposed assessment is correct you do not need to submit a self-assessment.

Swedish taxes and contributions



VAT

You pay VAT (Value Added Tax) on most goods and services. VAT is included in the price you pay. There are three VAT rates: 25 per cent, 12 per cent and 6 per cent.

25 per cent VAT is charged on the sale of goods and services with certain exceptions, including

- food, hotels and camping (12 per cent)
- personal transportation, books, newspapers, magazines and certain goods and services in the cultural field (6 per cent).

Certain services are exempt from VAT, including:

- medical care, dental care and social services
- certain types of education, e.g. primary and secondary schooling and further and higher education
- banking and financial services
- insurance services.

Selective taxes

Selective taxes (special consumption taxes) are charged on some goods. The selective tax is included in the price you pay.

For example, you pay selective tax on:

- fuel (petrol, oil, coal and bottled gas)
- energy
- alcohol
- tobacco.

Social security contributions

Social security contributions are payable on all work income. A self-employed person pays his/her own social security contributions in the form of **individual contributions**. Employers pay **employer contributions** for employees. Individual contributions and employer contributions for employees are in most cases just over 30 per cent.

Business activity

If you engage in business activity (sole proprietorship or partnership) you pay tax on the profit on the business. You declare your business activity in your tax return. The tax is the same as that on earned income.

However up to and including 2008 limited companies pay 28 per cent of the company's profit in tax. As from 1 January 2009 the income tax on limited companies is 26,3 per cent.

Deductions for the self-employed

You can make deductions for expenses you incur in order to maintain and develop your business activities.

Tax report

VAT

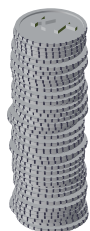
Every month, most companies record the amount of VAT they have paid and the amount they have received in a special tax report (*skattedeklaration*).

Employer contributions and tax deductions

If you are an employer, you must pay employer contributions and in most cases make tax deductions for the money you pay to your employees.

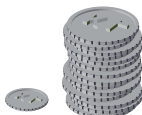
Every month, employer contributions and tax deductions are recorded in the tax report.

How your tax is spent, per SEK 100



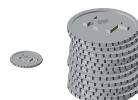
Social security 43 kronor

A large portion of the tax goes on pensions, sickness benefit, children's allowance, parental allowance and unemployment benefit.



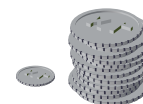
Education 14 kronor och 30 öre

Money to preschool, compulsory school, upper secondary school, university etc.



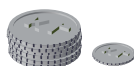
Health and medical services 13 kronor och 10 öre

Have you ever been in hospital? Medical care and medicinal products etc are paid for here.



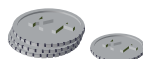
Public administration 12 kronor och 40 öre

Under this heading you will find interest on the national debt and costs of, for example, the Tax Agency and the Ministry of Foreign Affairs. Aid to developing countries is also included here.



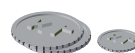
Industry and commerce 7 kronor och 90 öre

Part of the tax is used on extending and maintaining roads and railways.



Defence 3 kronor och 30 öre

Every year thousands of young people do national service. Sweden sends peacekeeping forces on international assignments.



Public order and justice 2 kronor och 70 öre

Society needs police, fire brigades, courts and treatment for offenders.



Cultural and recreational activities 2 kronor

A small portion of the tax goes on libraries, museums, sports facilities etc.



Housing and community development 80 öre

Planning of new residential areas. Water supplies and street lightning.



Environmental protection 50 öre

Dealing with our refuse costs money, as does preventing acidification of the environment and cleaning up oil spills.

Sources of tax revenue

	SEK bn	Per cent
Municipal income tax	454	31,9
Social security contributions (employer contributions etc)	444	31,1
VAT	266	18,7
Selective taxes (e.g. petrol, tobacco, alcohol)	110	7,7
Company tax	99	6,9
State income tax	41	2,9
Tax on capital income	37	2,6
Other taxes on capital	25	1,8
Property tax	25	1,8
Wealth tax	6	0,4
Miscellaneous (tax reductions etc.)	- 82	- 5,8
Total tax income 2006	1 425	100

Self service 24 hours a day:

Website: www.skatteverket.se
Service phone (only within Sweden
and in Swedish): 020-567 000

Personal service:

Within Sweden: 0771-567 567
From abroad: +46 8 564 851 60