

Social insurance contributions and limits 2021

TyEL contribution rates	2021	2020
Temporary employer The payroll for six months is less than €8,790 € or there are no permanent employees.	24.8%	1.1.–30.4. 25.3% 1.5.–31.12. 22.7%
Contract employer If the employer has at least one permanent employee or the payroll is at minimum €8,790 €/6 months. TyEL basic contribution without client bonus, expense loading discount and premium loss discount.	24.8%	1.1.–30.4. 25.3% 1.5.–31.12. 22.7%
Large employer When your payroll for 2019 was at least €2,125 500, the contribution is impacted by the client bonus, expense loading discount and premium loss discount. The contribution is also affected by the disability pensions granted to your employees. If the payroll amount for the company or group exceeds €5,000,000, the contribution sum also decreases due to the discount for large payrolls. Read more ilmarinen.fi/tyel-contribution . Log in to the online service to see the discount reduce.		
Employee's pension contribution The employee's share is included in the total contribution. The employer withholds the contribution from the salary or wages. In 2017–2025, due to the transitional provision, 53–62-year-olds contribution is higher. They accrue 1.7 per cent pension for the same period instead of 1.5 per cent.		
17–52-year-olds	7.15%	7.15%
53–62-year-olds (transitional provision 2017–2025)	8.65%	8.65%
63–67-year-olds	7.15%	7.15%
Lower limit for monthly earnings of employee covered by TyEL	61.37 €/month	60.57 €/month

YEL contribution rates	2021	2020
18–52-year-olds	24.10%	24.10%
53–62-year-olds (transitional provision 2017–2025)	25.60%	25.60%
63–67-year-olds	24.10%	24.10%
In 2017–2025, due to the transitional provision, 53–62-year-olds contribution is higher. They accrue 1.7 per cent pension for the same period instead of 1.5 per cent. The YEL contribution changes at the start of the year after the year the entrepreneur turns 53 or 63.		
Newly self-employed (22 per cent discount)		
18–52-year-olds	18.80%	18.80%
53–62-year-olds (transitional provision 2017–2025)	19.97%	19.97%
63–67-year-olds	18.80%	18.80%
Lower limit of YEL confirmed income	8,063.57 €/year	7,958.99 €/year
Upper limit of YEL confirmed income	183,125 €/year	180,750 €/year
YEL confirmed income accruing minimum employment requirement for unemployment security	13,247 €/year	13,076 €/year
Maximum monthly earnings of the disability pension recipient	837.59 €	834.52 €

MYEL contribution rates	2021	2020
under 53 years of age	13.014%	13.014%
start of the year after the year the person turns 53	13.8240* %	13.8240* %
for the part of income exceeding €44,390.54		
under 53 years of age	24.10%	24.10%
start of the year after the year the person turns 53	25.60%	25.60%
The contribution percentage increases steadily between €28,248.48–44,390.54		
*As of 2017, 53–62-year-olds are subject to the increased contribution.		

Other social insurance contributions	2021	2020
Health insurance contribution		
Employer's health insurance contribution = health insurance contribution, for employees aged between 16–67. The social security contribution is paid to the Tax Administration when settling withholding tax. Further information: www.vero.fi	1.53%	1.34%
The insured's health insurance contribution The contribution is included in the withholding rate, it is not separately withheld from the salary.		
Self-employed person's health insurance contribution	1.55%	1.33%
Self-employed person's daily allowance contribution *	1.36%	1.18%
Self-employed person's medical care contribution	0.68%	0.68%
Self-employed person's additional funding contribution	0.19%	0.15%
Employee's health insurance contribution	2.04%	1.86%
Employee's daily allowance contribution *	1.36%	1.18%
Employee's medical care contribution	0.68%	0.68%
Pension recipient's health insurance contribution	1.65%	1.65%
* If the total earned income and confirmed income remains under €14,766, the daily allowance contribution is 0.00 per cent.		

Accident, group life and unemployment insurance contributions	2021	2020
Accident insurance contribution (average) Contribution based on payroll and work-related accident risk. Accident insurance companies take care of accident insurance.	0.70%	0.70%
Average group life insurance contribution The accident insurance company collects the contribution in conjunction with the accident insurance contribution.	0.07%	0.07%
Employer's unemployment insurance contribution The Unemployment Insurance Fund collects contributions for an employee aged 17–64.		
For a payroll that is at most €2,169,000	0.50%	0.45 %
For a payroll component that exceeds €2,169,000	1.90%	1.70%
Employee's contribution	1.40%	1.25%
Part-owner		
Employer's contribution paid for the part-owner	0.50%	0.45%
TyEL-insured part-owner's contribution	0.65%	0.65%

Interest rates	2021	2020
Insurance contribution interest 1 Jan.–30 Jun.	2.00%	2.00%
Insurance contribution interest 1 Jul.–31 Dec.	2.00%	2.00%
Late payment interest 1 Jan.–30 Jun.	8.00%	8.00%
Late payment interest 1 Jul.–31 Dec.		8.00%
Interest rates are fixed semi-annually entering into effect on 1 Jan. and 1 Jul.		

Indexes and life expectancy coefficient	2021	2020
Wage coefficient	1,465	1,446
Earnings-related pension index	2631	2617
Life expectancy coefficient	0.94984	0.95404

The wage coefficient is used to calculate the future earnings-related pension. It is used to adjust the annual earnings to the level of the pension's starting year. In the wage coefficient, the portion of change in wages accounts for 80 per cent and the change in prices for 20 per cent.

The earnings-related pension index is used to adjust the paid earnings-related pensions. When calculating the earnings-related pension index, the portion of change in wages accounts for 20 per cent and the change in prices for 80 per cent.