

## **Translation from Finnish**

**Legally binding only in Finnish and Swedish**

**Finnish Centre for Pensions**

### **Self-Employed Persons' Pensions Act**

*(1272/2006; amendments up to 1090/2023 included)*

By decision of Parliament, the following is enacted:

#### **PART I**

#### **GENERAL PROVISIONS**

##### **Chapter 1**

##### **Purpose of the Act**

##### **Section 1**

##### **Purpose of the Act**

This Act lays down provisions on the right of self-employed persons to an old-age pension, a partial old-age pension, rehabilitation, a disability pension, a years-of-service pension as well as on the right of beneficiaries of self-employed persons to a survivors' pension. (72/2016)

A self-employed person resident and operating in Finland shall take out for themselves insurance covering old age, incapacity for work and death as laid down in this Act. Residence in Finland is not, however, required if the self-employed person resides in an EU or EEA country.

A self-employed person shall arrange the pension provision referred to in this Act with an earnings-related pension insurance company referred to in the Act on Earnings-Related Pension Insurance Companies (354/1997) or with an industry-wide pension fund referred to in the Act on Company and Industry-Wide Pension Funds (946/2021) providing earnings-related pension insurance cover in accordance with this Act. The Finnish Centre for Persons referred to in the Act on the Finnish Centre for Pensions (397/2006) operates as a liaison body for pension providers. (952/2021)

##### **Section 2**

##### **Key definitions**

For the purposes of this Act:

- 1) *pension provider* means an earnings-related pension insurance company or an industry-wide pension fund referred to in section 1, subsection 3 or another pension provider referred to in section 2, subsection 1, paragraph 1 of the Employees Pensions Act (395/2006) when they are handling a pension matter under this Act;
- 2) *lowest retirement age* means the retirement age determined on the basis of the self-employed person's year of birth referred to in section 8, subsections 2 and 3;
- 3) *earnings-related pension act* means the acts referred to in section 3 of the Employees Pensions Act;
- 4) *earnings-related pension* means a pension pursuant to earnings-related pension acts;
- 5) *self-employed person* means a person referred to in section 3;
- 6) *confirmed income* means the annual income confirmed for a self-employed person in accordance with section 112;
- 7) *total confirmed income* means the confirmed income which forms the basis for pension accrual referred to in section 67 and which takes into account any additional earnings-related pension insurance contributions and reduced earnings-related pension insurance contributions as well as any non-payment of earnings-related pension insurance contributions;
- 8) *earnings from work* means total confirmed income referred to in this Act and in the Farmers' Pensions Act (1280/2006) as well as earnings from work pursuant to other earnings-related pension acts;
- 9) *unsalaried period* means a period for which a self-employed person has been paid a pregnancy, special pregnancy or parental allowance or sickness allowance, partial sickness allowance or special care allowance pursuant to the Health Insurance Act (1224/2004), a communicable disease allowance pursuant to the Communicable Diseases Act (1227/2016), a job alternation allowance pursuant to the Act on Job Alternation Leave (1305/2002), an earnings-related unemployment allowance pursuant to the Unemployment Security Act (1290/2002), an adult education allowance pursuant to the Act on Adult Education Benefits (1276/2000), a rehabilitation allowance pursuant to earnings-related pensions acts or the Act on the Rehabilitation Benefits and Rehabilitation Allowance Benefits of the Social Insurance Institution of Finland (566/2005), compensation for loss of income pursuant to the Act on Rehabilitation Compensated According to the Motor Liability Insurance Act (626/1991) or a daily allowance or rehabilitation allowance pursuant to the Workers' Compensation Act (459/2015), a daily allowance pursuant to the Occupational Accident and Disease Act for Farmers (873/2015), the

Act on Compensation for Military Accidents and Service-Related Illnesses (1521/2016) or the Act on Compensation for Accidents and Service-Related Illnesses in Crisis Management Duties (1522/2016) or compensation for temporary loss of income pursuant to the Motor Liability Insurance Act (460/2016); (41/2022)

- 10) *accrued pension* means a pension that has accrued from total confirmed income referred to in this Act, any terminated retirement period and any unsalaried periods referred to in paragraph 9, as well as any benefit accrued under the Act on the Compensation from State Finances of Pension Accrual for Periods of Caring for a Child Aged under Three and for Periods of Study (644/2003);
- 11) *primary benefit* means a benefit referred to in sections 85 and 86 that is paid in full regardless of the amount of an earnings-related pension and that is deducted from a benefit under this Act;
- 12) *EU Social Security Regulation* means Regulation of the European Parliament and of the Council on the coordination of social security systems (EC) No 883/2004;
- 13) *General Data Protection Regulation* means Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC;
- 14) *EU and EEA country* means a country in which the EU Social Security Regulation or Council Regulation (EC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community applies;
- 15) *social security agreement* means an international agreement on social security which is binding on Finland;
- 16) *theoretical pension* means an imputed pension in the determination of which periods of work under earnings-related pension acts and periods of work in EU and EEA countries are treated as periods of work under this Act;
- 17) *surviving spouse* means a person who has been married to the deceased person or who has lived in a shared household with the deceased person without marrying them.

(1007/2021)

For the purposes of this Act, *pension contingency* means:

- 1) the last day of the calendar month preceding the start of an old-age pension;

- 2) the last day of the calendar month preceding the start of a partial old-age pension;
- 3) the onset of incapacity for work in a manner referred to in section 32, subsection 1;
- 4) the fulfilment of the conditions for receiving a years-of-service pension in accordance with section 50a; or
- 5) the death of the deceased person.

(72/2016)

The Compensation for Military Injuries Act 1211/1990 was repealed by the Act on Compensation for Military Accidents and Service-Related Illnesses 1521/2016.

## **Chapter 2**

### **Scope of application of the Act**

#### **Section 2a (573/2022)**

##### **Application in Åland**

In Åland, the provisions of this Act concerning wellbeing services counties apply to the municipalities of Åland.

#### **Section 3**

##### **Self-employed person**

A self-employed person means a person carrying out gainful employment without being in a contractual employment relationship or a public-service employment relationship or another service relationship under public law.

A partner in a general partnership or a shareholder or a partner in another corporation or partnership who is personally liable for the obligations and commitments of the corporation or partnership is regarded as a self-employed person.

A shareholder working in a leading position in a limited liability company or a person working in a leading position in another corporation is also regarded as a self-employed person if:

- 1) the shareholder of a limited liability company solely owns more than 30 per cent of the company's share capital or solely holds more than 30 per cent of the votes carried by the company's shares;

- 2) the shareholder of a limited liability company together with their family members owns more than 50 per cent of the company's share capital or they together hold more than 50 per cent of the votes carried by the company's shares;
- 3) the person working in a leading position in another corporation has control in that corporation equivalent to that referred to in paragraph 1 or 2.

(1190/2010)

A leading position means being a managing director, a member of the board of directors or in another equivalent position or having equivalent actual control in a limited liability company or another corporation.

A family member means the spouse or cohabiting partner of a person working in a leading position in a limited liability company or in another corporation, as well as a person who is a relative of a person working in a leading position in a limited liability company or another corporation in the direct ascending or descending line and who lives in the same household as them. A cohabiting partner means a person living in a marriage-like relationship in a shared household with a person working in a leading position in an enterprise. (1190/2010)

When calculating the ownership share, any indirect ownership through other corporations or partnerships is also taken into account if the person working in a leading position in a limited liability company or another corporation solely or together with their family members owns more than 50 per cent of the said other corporation or partnership or if they have equivalent control. (1190/2010)

A person who actually carries out the business operations, even if the business operations are formally carried out in the name of another person or in a corporation or partnership where control is formally in the name of another person, is also regarded as a self-employed person. (1190/2010)

## **Section 4**

### **Self-employed activities not included in the scope of the Act**

This Act does not apply to:

- 1) the activities of a self-employed person prior to the beginning of the calendar month following the date on which they reached the age of 18, nor to work continuing after the calendar month during which a self-employed person born in or before 1957 reaches the age of 68, a self-employed person born in 1958–1961 reaches the age of 69 and a self-employed person born in or after 1962 reaches the age of 70 (*upper age limit for the insurance obligation*); (72/2016)

- 2) the activities of a self-employed person which have not continued for an uninterrupted period of at least four months;
- 3) the activities of a self-employed person which have started or continued after they retired on an old-age pension under earnings-related pension acts;
- 4) a self-employed person whose confirmed income from self-employed activities referred to in this Act is to be assessed as being lower than EUR 5,504.14 per year;
- 5) gainful employment based on which the self-employed person is entitled to a pension under another earnings-related pension act; or
- 6) a self-employed person to whom Finnish law does not apply by virtue of the provisions on applicable law of the EU Social Security Regulation or a social security agreement. (355/2010)

## **Section 5 (72/2016)**

### **Insurance provision for athletes**

This Act does not apply to sporting activities. Provisions on pension provision for athletes are laid down in the Act on Accident and Pension Provision for Athletes (276/2009).

## **Section 6**

### **Self-employed activities abroad**

This Act also applies to a self-employed person working abroad who is governed by Finnish law by virtue of the provisions on applicable law of the EU Social Security Regulation or a social security agreement if the conditions for being governed by this Act are otherwise fulfilled. (355/2010)

A self-employed person insured in accordance with this Act and carrying self-employed activities in a country other than an EU, EEA or social security agreement country for no longer than one year may maintain the insurance referred to in this Act for the said period if they are resident in Finland.

## **Section 7 (1458/2011)**

### **Decision on application of the Act**

In case of any ambiguity regarding whether this Act applies to the work, the Finnish Centre for Pensions decides on the matter on the basis of an application of the party ordering the work, the person carrying out the work or the pension provider.

## **PART II**

### **PROVISIONS ON PENSIONS AND REHABILITATION AND THEIR IMPLEMENTATION**

#### **Chapter 3**

##### **Pension and rehabilitation benefits**

##### **Old-age pension**

##### **Section 8 (72/2016)**

##### **Right to old-age pension**

A self-employed person has the right to retire on an old-age pension from the beginning of the calendar month following the month during which they reached their lowest retirement age. A self-employed person has the right to receive an old-age pension regardless of whether they continue their self-employed activities referred to in this Act.

The lowest retirement age of a self-employed person is determined according to their year of birth as follows:

- 1) 63 years for those born in or prior to 1954;
- 2) 63 years and 3 months for those born in 1955;
- 3) 63 years and 6 months for those born in 1956;
- 4) 63 years and 9 months for those born in 1957;
- 5) 64 years for those born in 1958;
- 6) 64 years and 3 months for those born in 1959;
- 7) 64 years and 6 months for those born in 1960;
- 8) 64 years and 9 months for those born in 1961;
- 9) 65 years for those born in 1962–1964.

The lowest retirement age for a self-employed person born in or after 1965 is adjusted for the change in life expectancy in accordance with section 76 of this Act and with section 83 of the Employees Pensions

Act, and the age is confirmed by way of a decree of the Ministry of Social Affairs and Health issued for the year during which the self-employed person reaches the age of 62.

If a self-employed person retires on an old-age pension under the Seafarer's Pensions Act (1290/2006) at a reduced retirement age prior to the lowest retirement age specified in this Act, they have the right to retire on an old-age pension under this Act at the retirement age specified in the Seafarer's Pensions Act. In such a case, the amount of pension under this Act is converted actuarially to correspond to the retirement age of the self-employed person. Further provisions on the conversion of the amount of pension and the coefficient tables used in the conversion are issued by decree of the Ministry of Social Affairs and Health.

See Decree of the Ministry of Social Affairs and Health on the Reduction and Conversion of Pensions 1428/2016.

## **Section 9 (72/2016)**

### **Amount of old-age pension**

Where an old-age pension starts from the beginning of the calendar month following the date on which the self-employed person reached their lowest retirement age, the amount of the old-age pension is the amount of pension accrued by the start of the pension.

If a self-employed person's old-age pension starts later than from the beginning of the calendar month following the date on which they reached their lowest retirement age, the pension accrued by the end of the month preceding the start of the first old-age pension is increased by 0.4 per cent for each month by which the lowest retirement age is deferred beyond the calendar month following the month during which they reached the lowest retirement age (*increase for late retirement*). A self-employed person does not have the right to an increase for late retirement after the start of the first old-age pension granted to them under an earnings-related pension act. (1469/2019)

A self-employed person does not have the right to an increase for late retirement for the same period for which they have received an unemployment benefit or a disability pension. (1250/2016)

## **Section 10 (72/2016)**

### **Start of old-age pension**

An old-age pension starts from the beginning of the calendar month following the month during which the self-employed person reached the age giving entitlement to an old-age pension and during which the application for the pension was submitted. An old-age pension may also be granted retroactively for at most the three months preceding the pension application month or, for a legitimate reason, for a

period exceeding this. The retroactive granting of a pension requires that the self-employed person's insurance referred to in this Act has ended before the start of the pension.

A pension accrued from self-employed activities insured during an old-age pension under section 113 is granted, upon application, no earlier than from the beginning of the calendar month following the month during which the upper age limit for the insurance obligation was reached.

If the self-employed person has been receiving a partial old-age pension, the old-age pension starts from the beginning of the calendar month following the month in which the self-employed person fulfilled the conditions laid down in section 8 and ended their primary work insured under earnings-related pension acts.

## **Section 11 (72/2016)**

### **Discontinuation of old-age pension**

A self-employed person may apply for the discontinuation of their old-age pension if they have been granted a cash rehabilitation benefit based on temporary incapacity for work which, when the cash rehabilitation was granted, was estimated to continue beyond the date on which the self-employed person reaches their lowest retirement age. The discontinuation of the old-age pension shall be applied for within one month from the end of the estimated period of incapacity for work, and the old-age pension is discontinued at the end of the incapacity for work.

### **Partial old-age pension**

## **Section 12 (72/2016)**

### **Right to partial old-age pension**

A self-employed person has the right to retire on a partial old-age pension no earlier than from the beginning of the calendar month following the date on which they reach the lower age limit determined on the basis of their year of birth.

The lower age limit for a self-employed person's partial old-age pension is determined as follows:

- 1) the lower age limit for those born in or prior to 1963 is 61 years;
- 2) the lower age limit for those born in 1964 is 62 years;
- 3) the lower age limit for a partial old-age pension for those born in or after 1965 is adjusted for the changes in life expectancy according to section 76 of this Act and section 83 of the Employees Pensions Act.

A self-employed person does not have the right to a partial old-age pension if they, at the start of the pension, are receiving a benefit based on their own work under earnings-related pension acts or early retirement aid under the Act on Compensation for Farm Closure (612/2006) or the Act on Farmers' Early Retirement Aid (1293/1994).

## **Section 13 (72/2016)**

### **Amount of partial old-age pension**

The basis for the partial old-age pension is the pension accrued under earnings-related pension acts by the end of the calendar year preceding the start of the pension. The pension share under this Act is, in accordance with the self-employed person's application, either 25 or 50 per cent of the pension forming the basis for the old-age pension under this Act.

The pension share of the partial old-age pension is permanently reduced by 0.4 per cent for each month for which this pension share is taken early prior to the calendar month following the month in which the self-employed person reaches their lowest retirement age (*reduction for early retirement*).

The pension share of the partial old-age pension is permanently increased by 0.4 per cent for each month for which this pension share is deferred beyond the calendar month following the month in which the self-employed person reaches their lowest retirement age (*increase for late retirement*).

If the partial old-age pension has been granted as a share of 25 per cent and the self-employed person applies for the other 25 per cent to also be granted, the latter share is calculated based on the same pension forming the basis for the partial old-age pension referred to in subsection 1 as the share first granted. If a reduction for early retirement or an increase for late retirement is calculated on the latter share, it is calculated based on the start date of the latter share.

## **Section 14 (72/2016)**

### **Start of partial old-age pension**

A partial old-age pension starts from the calendar month following the pension application or from a later date indicated by the applicant. A partial old-age pension is not granted retroactively.

The application for a partial old-age pension as well as for the granting of any latter 25 per cent share shall be made for the same start date under all earnings-related pension acts.

A pension recipient may, upon application, cancel a partial old-age pension within three months of the decision granting the pension. The pension provider removes the decision regarding the cancelled pension. Provisions on the recovery of any pension unduly paid are laid down in section 107.

## **Section 15 (72/2016)**

### **Old-age pension and its amount after partial old-age pension**

A partial old-age pension is converted to an old-age pension when a self-employed person is granted an old-age pension. In such a case, the amount of the old-age pension is calculated based on the following components:

- 1) the partial old-age pension;
- 2) the pension share accrued by the end of the year preceding the start year of the partial old-age pension that is yet to be granted; and
- 3) the pension accrued from self-employed activities during and after the start year of the partial old-age pension by the start of the old-age pension, the pension accrued from the duration of any disability pension referred to in section 65 that has ended and from income forming the basis for benefits during any unpaid unsalaried periods referred to in section 68, as well as from any benefit accrued under the Act on the Compensation from State Finances of Pension Accrual for Periods of Caring for a Child Aged under Three and for Periods of Study. (1469/2019)

Notwithstanding the provisions of section 8, if a self-employed person is granted an old-age pension under another private-sector earnings-related pension act or public-sector pension act after a partial old-age pension, the self-employed person is granted the share of the pension accrued under this Act by the end of the year preceding the start of the partial old-age pension that is yet to be granted.

If an old-age pension starts later than from the beginning of the calendar month following the month in which the self-employed person reaches their lowest retirement age, an increase for late retirement as laid down in section 9 is added to the pension share referred to in subsection 1 paragraph 2 and to the pension accrued during and after the start year of the partial old-age pension up until the start of the first old-age pension.

## **Section 16 (72/2016)**

### **Amount of disability pension after partial old-age pension**

If a self-employed person who is receiving a partial old-age pension becomes incapacitated for work to an extent giving entitlement to a disability pension, the amount of the disability pension is calculated based on the pension components referred to in section 15, subsection 1, paragraphs 1 and 2, the pension earned during and after the start year of the partial old-age pension up until the end of the year preceding the onset of the incapacity for work, as well as the projected pension component.

If the disability pension subsequently ends, if its payment is suspended or if it is left dormant under the Act on the Promotion of Return to Work of Persons on a Disability Pension (738/2009), the partial old-age pension will continue to be paid at the amount granted earlier.

### **Section 17 (72/2016)**

#### **Amount of years-of-service pension after partial old-age pension**

After a partial old-age pension, the amount of a years-of-service pension is calculated based on the pension components referred to in section 15 subsection 1, paragraphs 1 and 2 as well as on the pension earned during and after the first year of the partial old-age pension up until the end of the month preceding the start of the years-of-service pension.

If a years-of-service pension is later left dormant under section 50f, the partial old-age pension will continue to be paid at the amount granted earlier.

### **Section 18 (72/2016)**

#### **Disability pension, years-of-service pension and old-age pension after partial old-age pension**

If a self-employed person receiving a partial old-age pension is granted a disability pension, a years-of-service pension or an old-age pension for the same time period for which a partial old-age pension has already been paid, the partial old-age pension is taken into account as a part-payment towards the other pension granted.

### **Sections 19–21**

*Sections 19–21 were repealed by Act 72/2016.*

### **Rehabilitation under earnings-related pension system**

#### **Section 22**

##### **Right to rehabilitation under earnings-related pension system**

A self-employed person who has not reached their lowest retirement age has the right to vocational rehabilitation if: (1030/2022)

- 1) an appropriately diagnosed disease, impairment or injury is likely to pose the risk of incapacity for work as referred to in section 32, subsection 1;

- 2) they have insured earnings from work totalling at least EUR 25,133.40 for the reference period for the projected pension component referred to in section 70; and
  - 3) they do not have the right to rehabilitation under the rehabilitation provisions of accident insurance or motor liability insurance; (1030/2022)
  - 4) they have earnings from work insured under earnings-related pension acts other than earnings from work paid on the basis of employment relationships referred to in section 4, subsection 2, paragraphs 2–4 of the Public Sector Pensions Act (81/2016) during the 36 calendar months immediately preceding the month during which the rehabilitation application is submitted or they have, for this period or part of it, cared for their child, on the basis of which they have been paid a parental allowance under the Health Insurance Act (1224/2004), a child home care allowance under the Act on Child Home Care Allowance and Private Daycare Allowance (1128/1996) or an equivalent child home care allowance under the legislation of Åland or they submit to the pension provider sufficient evidence that they were prevented from gainful employment due to caring for their child for a period for which no benefit was paid although they may have had the right to receive the benefit; and (1030/2022)
  - 5) the rehabilitation is appropriate to prevent the self-employed person's incapacity for work and to improve their ability to work and earning capacity. (1030/2022)
- (72/2016)

When assessing the appropriateness of rehabilitation, the factors taken into account are the self-employed person's age, occupation, previous activity, education and training and whether the vocational rehabilitation applied for is likely to lead to the self-employed person continuing in work suited to their state of health or returning to work. In addition, the assessment of the appropriateness of rehabilitation takes into account whether the vocational rehabilitation would defer the retirement of the self-employed person. (1030/2022)

Risk of incapacity for work means a situation where it is likely that the self-employed person would, without vocational rehabilitation, be granted a full or part-time disability pension within the next few years even when taking into account the possibilities of undergoing treatment and medical rehabilitation.

The reference period for the projected pension component referred to in subsection 1, paragraph 2 above is determined as if the self-employed person became incapacitated for work when the rehabilitation application became pending. (1166/2007)

The provisions of subsection 1 also apply to the rehabilitation of a self-employed person who is incapacitated for work as referred to in section 32, subsection 1. In such a case, the earnings referred to in subsection 1, paragraph 2 are determined in the same manner as the projected earnings in their disability pension, and the fulfilment of the condition referred to in subsection 1, paragraph 4 is examined for the 36 months immediately preceding the month of the onset of the incapacity for work. (1030/2022)

## **Section 23**

### **Content and rehabilitation plan of vocational rehabilitation**

Vocational rehabilitation means a work trial, job coaching, training leading to work or an occupation, and support for starting or continuing a business activity. The self-employed person is compensated for indispensable and necessary costs arising from vocational rehabilitation. (1030/2022)

Prior to the commencement of vocational rehabilitation, the self-employed person shall have a plan concerning the vocational rehabilitation (*rehabilitation plan*), the preparation of which may be supported by the pension provider.

## **Section 24**

### **Preliminary decision on right to rehabilitation under earnings-related pension system**

The self-employed person has the right to receive a preliminary decision on whether the conditions for receiving rehabilitation under the earnings-related pension system are fulfilled. The preliminary decision is binding on the pension provider if the self-employed person submits a rehabilitation plan to the pension provider within nine months of the preliminary decision becoming final.

## **Section 25**

### **Rehabilitation allowance**

A self-employed person has the right to receive a rehabilitation allowance for the calendar months during which they have been fully or partly prevented from carrying out the self-employed activities referred to in this Act due to vocational rehabilitation.

The amount of the rehabilitation allowance equals the total amount of the earnings-related pensions, increased by 33 per cent, which the self-employed person would be entitled to receive if they had become incapacitated for work to an extent giving entitlement to a full disability pension when the rehabilitation application becomes pending.

If a self-employed person has taken a sick leave from their self-employed activities and the need for rehabilitation already existed when the sick leave began, the amount of the rehabilitation allowance equals, however, the total amount of the earnings-related pensions, increased by 33 per cent, which the self-employed person would be entitled to if they had become incapacitated for work to an extent giving entitlement to a full disability pension when the sick leave begins.

## **Section 26**

### **Partial rehabilitation allowance**

If a self-employed person's earnings from work during vocational rehabilitation amount to more than half of their established earnings, the amount of rehabilitation allowance is half of the rehabilitation allowance under section 25.

## **Section 27**

### **Disability pension recipient's rehabilitation increment**

If a self-employed person is receiving a disability pension under section 32, they do not have the right to a rehabilitation allowance under section 25. A disability pension recipient is paid a rehabilitation increment in addition to the disability pension for the duration of vocational rehabilitation. The rehabilitation increment is 33 per cent of the amount of the disability pension.

A partial disability pension may be paid as a full pension for the duration of vocational rehabilitation and increased as laid down in subsection 1.

## **Section 28**

### **Rehabilitation assistance**

A rehabilitation allowance may be granted to a self-employed person in the form of discretionary rehabilitation assistance equalling the amount of a disability pension for the period between the rehabilitation decision being issued and the rehabilitation commencing as well as for any period between periods of rehabilitation. Discretionary rehabilitation assistance may be also granted for the purpose of preparing a rehabilitation plan referred to in section 23, subsection 2.

Rehabilitation assistance is paid for a maximum of three months per calendar year, calculated separately for the period between the rehabilitation decision being issued and the rehabilitation commencing as well as for any period between periods of rehabilitation. Rehabilitation assistance may, however, also be paid for a longer period of time if this is justifiable in order to safeguard the rehabilitation.

A person who has received a rehabilitation allowance may be paid rehabilitation assistance for a maximum of six months if this is particularly necessary to support their employment. In such a case, the rehabilitation assistance is determined as a lump sum and paid in one or more instalments. No rehabilitation assistance is, however, paid for a period for which the self-employed person has the right to receive an unemployment allowance or labour market subsidy referred to in the Unemployment Security Act.

## **Section 29**

### **Suspension and discontinuation of rehabilitation allowance or disability pension recipient's rehabilitation increment (1030/2022)**

If vocational rehabilitation is interrupted for more than 30 calendar days due to the ill health of the recipient of the rehabilitation benefit or for some other reason beyond their control or if the recipient of the rehabilitation benefit interrupts the vocational rehabilitation for some other legitimate reason, the payment of the rehabilitation allowance or rehabilitation increment may be suspended from the beginning of the calendar month following the interruption of the rehabilitation. (1030/2022)

A rehabilitation allowance or rehabilitation increment may be discontinued if its recipient refuses the vocational rehabilitation or interrupts such rehabilitation without a legitimate reason. (1030/2022)

A self-employed person does not have the right, without a legitimate reason, to a disability pension before their right to a rehabilitation allowance referred to in earnings-related pension acts or the Act on the Rehabilitation Benefits and Rehabilitation Allowance Benefits of the Social Insurance Institution of Finland has ended.

## **Section 30**

### **Pension provider's obligation to report**

A pension provider shall report all of its decisions regarding vocational rehabilitation as well as rehabilitation allowances and increments to the Social Insurance Institution of Finland.

## **Section 31 (72/2016)**

### **Other provisions on rehabilitation**

The provisions of this Act on applying for a disability pension, the determination of the pension on previous grounds, the lump-sum increase, taking changes in pay and price levels into account, the deduction of primary benefits, the pension providers' right of recourse, payment, the adjustment of a disability pension and alteration of its amount, a disability pension granted following a partial old-age

pension, the increase for delay, recovery, the provision of and access to information, requests for review and the notification obligation of a disability pension recipient apply to the rehabilitation allowance, rehabilitation increment and their recipient, unless otherwise provided in this Act. Any unduly paid compensation for costs of vocational rehabilitation may be recovered in accordance with the provisions in this Act regarding the recovery of unduly paid pensions.

A rehabilitation allowance and increment may also be paid for a period shorter than one month. The period of sickness allowance preceding the disability pension referred to in the Health Insurance Act does not affect the start date of a rehabilitation allowance. No pension under section 65 accrues from a period of rehabilitation allowance, and rehabilitation benefits are not used as a basis for the survivors' pension.

## **Disability pension**

### **Section 32**

#### **Right to disability pension**

A self-employed person has the right to a disability pension if their ability to work is assessed to have been reduced by at least two fifths as a result of a disease, impairment or injury over an uninterrupted period of at least one year. The disability pension is granted as a full pension if the self-employed person's ability to work has been reduced by at least three fifths. In other cases, the disability pension is granted as a partial disability pension.

When assessing the reduction in ability to work, the self-employed person's remaining capacity to acquire earned income by means of such available work that the self-employed person can reasonably be expected to carry out is taken into account. In such a case, the self-employed person's education and training, previous activities, age, place of residence and other comparable matters are also taken into account.

In addition to the provisions of subsection 2, the occupational nature of the incapacity for work is emphasised when assessing the right to a disability pension of a self-employed person who has reached the age of 60.

### **Section 33 (888/2014)**

#### **Examination of rehabilitation possibilities**

Before issuing a disability pension decision, the pension provider shall examine whether the self-employed person has the right to rehabilitation under section 22 and ensure that the self-employed person's rehabilitation possibilities under other legislation have been examined. If a self-employed person has the right to rehabilitation under section 22, the pension provider issues a preliminary decision on the right to rehabilitation under section 24.

## **Section 34 (72/2016)**

### **Disability pension on the basis of pension granted under Public Sector Pensions Act**

A self-employed person has the right to a disability pension under this Act if they have been granted a disability pension pursuant to section 33, subsection 1, paragraph 2 of the Public Sector Pensions Act (81/2016).

In addition, a self-employed person has the right to a disability pension under this Act if they have been granted a disability pension on the basis of incapacity for work that started while their public-sector employment relationship continued under section 33, subsection 1, paragraph 1 of the Public Sector Pensions Act and their pension accrued under private-sector earnings-related pension acts amounts to a maximum of EUR 688.02 per month.

## **Section 35**

### **Amount of disability pension**

The amount of a full disability pension is the total of the pension accrued by the end of the year preceding the pension contingency year and of the projected pension component referred to in section 63. A partial disability pension is half of the full disability pension.

## **Section 36**

### **Preliminary decision on right to partial disability pension**

A self-employed person has the right to receive a preliminary decision on whether they fulfil the conditions for receiving a partial disability pension referred to in section 32, subsection 1. The preliminary decision is given by the pension provider competent to decide on the pension application should the self-employed person apply for a pension rather than a preliminary decision.

The preliminary decision is binding on the pension provider if the pension application based on it is submitted within nine months from the preliminary decision becoming final or within a longer period of time agreed between the self-employed person and the pension provider.

## **Section 37 (209/2021)**

### **Pension provider's medical expert**

A licensed physician shall take part in the preparation of matters relating to incapacity for work and rehabilitation as well as of other matters that involve medical issues and shall enter in the documents their reasoned assessment and conclusions concerning key findings and observations included in patient records. The opinions shall include the statement: 'which I certify on the basis of the available information, my expertise and my conscience'. The entries made shall be clear and use commonly known concepts so that they can be used when justifying decisions made by the pension provider.

## **Section 38**

### **Start of full disability pension**

A full disability pension starts at the earliest from the beginning of the month following the end of the period of sickness allowance preceding the disability pension referred to in chapter 12, section 3 of the Health Insurance Act.

However, the full disability pension starts from the beginning of the month following the onset of the incapacity for work if:

- 1) the pension application was submitted before the Social Insurance Institution of Finland confirmed the period of sickness allowance preceding the disability pension and no allowance paid for an uninterrupted period of at least one month for a period subsequent to the onset of the incapacity for work has been granted by the end of the second calendar month following the submission of the application;
- 2) an allowance application concerning a period following the onset of the incapacity for work has been rejected and the self-employed person has not been granted an allowance paid for an uninterrupted period of at least one month for a period subsequent to the rejection of the application; or
- 3) the incapacity for work commences after the end of the period of sickness allowance preceding the disability pension and the self-employed person has been granted a sickness allowance under chapter 8, section 9, subsection 5 of the Health Insurance Act for a period subsequent to the onset of the incapacity for work.

(1250/2010)

If a self-employed person has the right to receive a benefit paid from abroad that is equivalent to the sickness allowance referred to in the Health Insurance Act, the benefit is taken into account when

determining the start date of the disability pension in the same way as the sickness allowance referred to in the Health Insurance Act, but for no longer than up to the end of the maximum payment period referred to in the Health Insurance Act.

## **Section 39**

### **Start of partial disability pension**

A partial disability pension starts from the beginning of the month following the pension contingency.

## **Section 40 (1250/2016)**

### **Retroactive payment of disability pension and years-of-service pension**

A disability pension is not paid retroactively without a legitimate reason for a period longer than the six months preceding the pension application month.

If a disability pension is granted retroactively, it is not paid for any period for which the self-employed person has received a rehabilitation allowance referred to in earnings-related pension acts or the Workers' Compensation Act or the Occupational Accident and Disease Act for Farmers or compensation for loss of income pursuant to the Act on Rehabilitation Compensated According to the Motor Liability Insurance Act.

If a disability pension is granted retroactively and an allowance under the Act on the Rehabilitation Benefits and Rehabilitation Allowance Benefits of the Social Insurance Institution of Finland other than the pension recipient's rehabilitation allowance under section 34 of the said Act has been paid for the same period, the disability pension is paid to the self-employed person only at an amount that exceeds the amount of rehabilitation allowance for this period.

If a disability pension is granted retroactively as a partial disability pension or as a full disability pension under section 38, subsection 2 and a sickness allowance or a partial sickness allowance referred to in the Health Insurance Act has been paid for the same period, the disability pension is paid for this period at an amount that exceeds the amount of the allowance.

The provisions of subsections 2 and 3 apply to the retroactive payment of a years-of-service pension.

## **Section 41**

### **Duration of disability pension**

A disability pension is granted until further notice or as a cash rehabilitation benefit for a fixed period of time.

If a self-employed person's ability to work has been reduced for a fixed period of at least one year, they have the right to receive a cash rehabilitation benefit in order to restore their ability to work for as long a period of time as they are estimated to remain incapacitated for work in a manner referred to in this Act.

When granting a cash rehabilitation benefit, the pension provider shall ensure that a treatment or rehabilitation plan has been prepared for the self-employed person. A cash rehabilitation benefit may also be granted to a self-employed person who is incapacitated for work for the duration of the preparation of a treatment or rehabilitation plan.

## **Section 42**

### **Disability pension recipient's notification obligation**

A disability pension recipient is obligated to notify the pension provider of the restoration of their ability to work, the commencement of or an increase in self-employed activities or other gainful employment and an interruption of rehabilitation.

## **Section 43**

### **Evidence of continuation of incapacity for work**

If the pension provider has reasonable grounds to assume that a pension recipient's ability to work has been restored, the pension recipient is obligated, where ordered by the pension provider, to undergo a medical examination by a licensed physician designated by the pension provider or by a rehabilitation or research facility indicated by the pension provider in order to examine whether the incapacity for work continues. In such a case, the pension provider shall compensate for any reasonable costs arising from the examination and any travel.

## **Section 44**

### **Review of right to disability pension**

If a disability pension recipient's ability to work changes, their right to receive the disability pension is reviewed upon their application or on the initiative of the pension provider.

The assessment of any change in or restoration of a disability pension recipient's ability to work takes into account any changes in the self-employed person's earnings from work or labour input. A self-employed person does not have the right to a full disability pension for any period when their earnings from work exceed 40 per cent of their established average earnings prior to the onset of the incapacity

for work nor to a partial disability pension for any period when their earnings from work exceed 60 per cent of the said average earnings, unless the earnings limit is exceeded temporarily.

## **Section 45**

### **Changing the amount of disability pension**

If the ability to work of a self-employed person receiving a full disability pension changes so that they have the right to receive a partial disability pension, and if the change can be assessed as lasting for at least one year, the full disability pension is converted to a partial disability pension from the beginning of the month following the change.

If the ability to work of a self-employed person receiving a partial disability pension changes so that they have the right to receive a full disability pension, and if the change can be assessed as lasting for at least one year, the partial disability pension is converted to a full disability pension. The full disability pension starts as laid down in section 38. The partial disability pension is paid until the start of the full disability pension.

## **Section 46**

### **Discontinuation of disability pension**

If the ability to work of a disability pension recipient is restored to such an extent that they no longer fulfil the conditions for receiving the pension, the disability pension is discontinued from the beginning of the calendar month following the restoration of the ability to work.

If a disability pension is discontinued or a cash rehabilitation benefit ends, the pension may be continued for a period of time even shorter than one year in the form of a cash rehabilitation benefit at the amount of a partial disability pension for the purpose of supporting a return to work.

## **Section 47**

### **Suspension of payment of disability pension**

The payment of a disability pension may be suspended if the pension recipient:

- 1) is in gainful employment and the earnings from this work temporarily exceed 60 per cent of the established average earnings prior to the onset of the incapacity for work;
- 2) does not agree to undergo an examination ordered by the pension provider under section 43 but not, however, if there is a good reason for the refusal;

- 3) fails to submit the results of an examination referred to in section 43 to the pension provider within a reasonable time set by the pension provider; or
- 4) refuses rehabilitation or training organised by the pension provider without a legitimate reason.

### **Section 48 (1431/2011)**

#### **Retroactive adjustment of disability pension**

A disability pension may be discontinued or adjusted or its payment may be suspended with retroactive effect of a maximum of two years. This period of two years is calculated from the beginning of the calendar month following the month when the pension recipient's application for an adjustment became pending or the adjustment measures were taken by the pension provider. If payment of the disability pension has been suspended, the pension is, however, adjusted or discontinued from the date it was suspended.

### **Section 49 (72/2016)**

#### **Conversion of disability pension to old-age pension**

A full disability pension is converted to an old-age pension and a partial disability pension is converted to an old-age pension equivalent to a full disability pension from the beginning of the month following the month during which the pension recipient reaches their lowest retirement age.

A self-employed person has, on application, the right to a pension accrued from self-employed activities during a disability pension if their disability pension is converted to an old-age pension in accordance with subsection 1. If a self-employed person carries out self-employed activities during a disability pension under an earnings-related pension act other than this Act, or after the end of a disability pension under this Act or another earnings-related pension act, the self-employed person has the right to the pension accrued from those self-employed activities if they are granted an old-age pension. The self-employed person has the right to a pension accrued from self-employed activities carried out during or after a disability pension referred to above also if they, after the end of the disability pension, are granted a new disability pension to which the provisions of section 74, subsection 2 on pension determined based on previous grounds do not apply.

Instead of a disability pension, the pension is calculated and granted as an old-age pension from the beginning of the month following the month when the lowest retirement age is reached if:

- 1) the self-employed person reached their lower retirement age before the end of the period of sickness allowance preceding the disability pension referred to in chapter 12, section 3 of the Health Insurance Act; or
- 2) no period of sickness allowance preceding the disability pension is confirmed for the self-employed person by virtue of chapter 12, section 3, subsection 2 of the Health Insurance Act because the self-employed person has reached their lowest retirement age.

## **Section 50 (1231/2014)**

### **Provision of information and referral to rehabilitation**

If an application for a disability pension or rehabilitation under the earnings-related pension system is rejected, the pension provider shall ensure that the self-employed person is provided with information on other rehabilitation possibilities and that they are referred to other rehabilitation or services meeting their needs in cooperation with parties organising these.

### **Years-of-service pension**

## **Section 50a (72/2016)**

### **Right to years-of-service pension**

After reaching the age of 63, a self-employed person has the right to a years-of-service pension if:

- 1) they have, for a least 38 years, carried out work insured under earnings-related pension acts that has caused strain and wear as referred to in section 50b;
- 2) their ability to work has been reduced due to a disease, impairment or injury but, however, to a lesser extent than required for the granting of a full disability pension referred to in section 32;
- 3) their possibilities of continuing to work have been permanently reduced due to reasons specified in paragraphs 1 and 2; and
- 4) at the time when the lower age limit for the years-of-service pension is reached or, subsequent to that, when the pension application becomes pending, the work referred to in paragraph 1 continues or no longer than one year has elapsed since it ended.

Periods of pregnancy and parental allowance for a maximum of three years also count as periods of work referred to in subsection 1, paragraph 1 above. In addition, minor interruptions of work due to ill health or temporary unemployment count as periods referred to in the said paragraph. (41/2022)

Work causing strain and wear referred to in section 50b carried out in another EU or EEA country or a country with which Finland has concluded a social security agreement is equated with work insured under earnings-related pension acts referred to in subsection 1, paragraph 1 above.

## **Section 50b (72/2016)**

### **Work causing strain and wear**

When assessing the degree of strain and wear associated with work referred to in section 50a, subsection 1, paragraph 1 performed by a self-employed person, it is required that the work must, to a significant degree, have involved one or more of the following factors:

- 1) work movements that require a lot of muscular strength or prolonged muscle strain;
- 2) particularly strong strain on the respiratory and circulatory systems;
- 3) working postures that are strenuous and awkward;
- 4) repetitive work movements that require strength or great speed or work movements that simultaneously involve hand gripping, twisting and strength;
- 5) working in interactive work that is particularly demanding and causes an exceptional mental workload; or
- 6) work in a role that calls for constant vigilance or extreme caution, with a heightened risk of accident or incident or an evident risk of violence.

When assessing whether the work involves any or several of the factors referred to in subsection 1, factors taken into account as factors contributing to strain and cumulative wear arising from work include exceptional physical factors of the work, the use of protective equipment that increases strain, shift work that regularly involves night work or is otherwise strenuous, and regular long work shifts. In addition, being continuously tied to production animals in a strenuous manner around the clock is taken into account as a factor contributing to strain and cumulative wear arising from work.

Strain and cumulative wear arising from work is assessed based on the combined effect of factors mentioned in subsections 1 and 2.

## **Section 50c (72/2016)**

### **Amount of years-of-service pension**

The amount of a years-of-service pension is the pension accrued by the end of the month preceding the start of the years-of-service pension.

### **Section 50d (72/2016)**

#### **Start of years-of-service pension**

A years-of-service pension starts from the beginning of the calendar month following the calendar month during which the self-employed person fulfils the conditions laid down in section 50a but not, however, earlier than from the beginning of the month following the month of application.

A years-of-service pension is granted until further notice.

### **Section 50e (72/2016)**

#### **Preliminary decision on right to years-of-service pension**

A self-employed person has the right to receive a preliminary decision on whether they fulfil the conditions for a years-of-service pension referred to in section 50a. The preliminary decision is given by the pension provider competent to decide on the pension application should the self-employed person apply for a pension rather than a preliminary decision.

The preliminary decision on a years-of-service pension is binding on the pension provider if the pension application based on it is submitted within six months of the preliminary decision becoming final or within a longer period of time agreed between the self-employed person and the pension provider. The preliminary decision may, however, only remain effective until the lowest retirement age.

### **Section 50f (72/2016)**

#### **Leaving years-of-service pension dormant**

If the earnings of a years-of-service pension recipient exceed the fixed earnings limit laid down in section 3 of the Act on the Promotion of Return to Work of Persons on a Disability Pension, the years-of-service pension may be left dormant in compliance with the provisions of section 4, subsections 1 and 2, section 6, subsections 1 and 2 and sections 7–10 of the said Act.

### **Section 50g (72/2016)**

#### **Retroactive adjustment of years-of-service pension**

A years-of-service pension may be left dormant with retroactive effect of a maximum of two years. This period of two years is calculated from the beginning of the calendar month following the month when

the pension recipient's application for an adjustment became pending or the adjustment measures were taken by the pension provider.

### **Section 50h (72/2016)**

#### **Conversion of years-of-service pension to old-age pension**

A years-of-service pension is converted to an old-age pension from the beginning of the calendar month following the month during which the pension recipient reaches their lowest retirement age.

A self-employed person has, on application, the right to a pension accrued from work carried out during a years-of-service pension when their years-of-service pension is converted to an old-age pension under subsection 1.

### **Section 50i (72/2016)**

#### **Granting of old-age pension instead of years-of-service pension**

Instead of a years-of-service pension, the pension is calculated and granted as an old-age pension from the beginning of the month following the month when the self-employed person reaches the lowest retirement age if the self-employed person has reached the lowest retirement age prior to the start of the years-of-service pension.

### **Section 50j (72/2016)**

#### **Examination of rehabilitation possibilities of years-of-service pension applicant**

If the pension provider rejects an application for a years-of-service pension, it shall examine whether the self-employed person has the right to rehabilitation under section 22 and ensure that the self-employed person's possibilities of rehabilitation under other legislation have been examined. If a self-employed person has the right to rehabilitation under section 22, the pension provider issues a preliminary decision on the right to rehabilitation under section 24.

### **Section 50k (72/2016)**

#### **Years-of-service pension on the basis of pension granted under Public Sector Pensions Act**

A self-employed person has the right to a years-of-service pension under this Act if they have been granted a years-of-service pension under section 51 of the Public Sector Pensions Act.

### **Section 50l (72/2016)**

#### **Years-of-service pension recipient's notification obligation**

A recipient of a years-of-service pension is obligated to notify the pension provider if they enter gainful employment.

## **Survivors' pension**

### **Section 51**

#### **Survivors' pension and recipients of survivors' pension**

A deceased person is a self-employed person who has accrued a pension under this Act and after whose death a survivors' pension is paid to the beneficiaries as laid down below.

A beneficiary is a person who has the right to receive a survivors' pension after the death of a deceased person. The beneficiaries are, subject to the conditions laid down below, the surviving spouse, the children of the deceased and the surviving spouse, and any former spouse of the deceased person.

A survivors' pension is paid as a surviving spouse's pension and an orphan's pension.

A person who has caused the death of the deceased person intentionally through an offence does not have the right to a survivors' pension.

### **Section 52**

#### **Surviving spouse's right to pension**

A surviving spouse has the right to a surviving spouse's pension if they:

- 1) married the deceased person before the deceased person reached the age of 65 and they have or have had a child with the deceased person; or
- 2) moved into a shared household with the deceased person before the deceased person reached the age of 65, living in the shared household had continued for at least five years at the time of the deceased person's death, and the surviving spouse has a child under the age of 18 with the deceased person, who lived in the same household with the deceased person and the surviving spouse; the deceased person or the surviving spouse does not mean a person who is at the same time married to a person other than the spouse with whom they lived in a shared household.

(1007/2021)

A surviving spouse who married the deceased person before the surviving spouse reached the age of 50 and the deceased person reached the age of 65 and the marriage had continued for at least five years also has the right to a surviving spouse's pension if:

- 1) the surviving spouse had reached the age of 50 when the deceased person died; or
- 2) the surviving spouse was receiving a disability pension under an earnings-related pension act or the National Pensions Act (568/2007) that had continued for at least three years. (1166/2007)

A surviving spouse does not have the right to a surviving spouse's pension under subsection 1 if the child was adopted outside of the family before the death of the deceased person nor on the basis of a child of the deceased person whom the surviving spouse has adopted after the death of the deceased person.

If the surviving spouse has the right to receive a survivors' pension on the basis of a previous marriage or shared household under earnings-related pension acts, they do not have the right to a new survivors' pension before their right to the previous survivors' pension has ended. (1007/2021)

### **Section 53 (1007/2021)**

#### **Child's right to pension**

A person who was under the age of 20 when the deceased person died has the right to an orphan's pension if they are:

- 1) the deceased person's child; or
- 2) the child of the surviving spouse married to the deceased person who lived in the same household as the deceased person and the surviving spouse when the deceased person died.

An orphan's pension is primarily granted after the death of the child's own parent. The right to an orphan's pension cannot be held concurrently after the death of more than two deceased persons. If a child receiving an orphan's pension after the death of two deceased persons is subsequently granted an orphan's pension after the death of their own parent, the orphan's pension first granted after the death of some other deceased person is discontinued from the date when the orphan's pension after the death of the child's own parent starts.

An orphan's pension includes an imputed share of the survivors' pension of a surviving spouse determined under section 78 if:

- 1) the deceased person does not have a surviving spouse with the right to a survivors' pension under this Act; or

2) the surviving spouse with the right to a surviving spouse's pension has died or their right to the surviving spouse's pension has ended due to entry into marriage before the surviving spouse's right to a survivors' pension would have ended.

## **Section 54 (573/2022)**

### **Former spouse's right to pension**

A former spouse of the deceased person has the right to a surviving spouse's pension if the deceased person was, when they died, obligated by virtue of a final decision or judgment of a court or an agreement confirmed by a wellbeing services county to pay periodic maintenance to the former spouse. The provisions on the surviving spouse and the surviving spouse's right to a surviving spouse's pension apply to a former spouse and their right to a surviving spouse's pension.

## **Section 55**

### **Start and retroactive payment of survivors' pension**

A survivors' pension is paid from the beginning of the month following the death of the deceased person. A survivors' pension for a child born after the death of the deceased person is paid from the beginning of the month following the child's birth.

A survivors' pension is not paid retroactively without a legitimate reason for a period longer than the six months preceding the pension application month.

## **Section 56**

### **Notification obligation**

A recipient of a surviving spouse's pension is obligated to notify the pension provider if they enter into a marriage.

If a child receiving an orphan's pension is adopted by someone other than the surviving spouse of the deceased person or their new spouse, the adoptive parents of the child are obligated to notify the pension provider about the adoption of the child.

## **Section 57 (1007/2021)**

### **Ending of survivors' pension**

A surviving spouse's pension ends, if:

- 1) the surviving spouse has the right to a survivors' pension under section 52, subsection 1, paragraph 1 or section 52, subsection 2, at the end of the month during which ten years have elapsed since the pension contingency or, if there was a child or children with the right to a survivors' pension after the death of the deceased person living in the same household with the deceased person and the surviving spouse when the deceased person died, no earlier than at the end of the month during which the youngest of the children with the right to a survivors' pension reaches the age of 18; or
- 2) the surviving spouse has the right to a survivors' pension under section 52, subsection 1, paragraph 2, at the end of the month during which the youngest of the shared children of the deceased person and the surviving spouse with the right to a survivors' pension reaches the age of 18; or
- 3) the surviving spouse enters into a new marriage before they reach the age of 50, at the end of the month when the marriage is entered into.

An orphan's pension ends at the end of the month during which the child reaches the age of 20 or is adopted by a person other than the surviving spouse of the deceased person or their new spouse.

### **Section 58 (1007/2021)**

#### **Granting of survivors' pension on the basis of probable death**

If no evidence of the death of the deceased person can be provided, but it is probable that they have died due to drowning, some other accident or some other cause comparable to these, the pension provider estimates the probable date of death of the deceased person on the basis of the missing person report filed with the police or some other corresponding evidence, and grants a survivors' pension from the beginning of the month following the probable date of death mentioned above.

### **Section 59 (1007/2021)**

#### **Paying surviving spouse's pension as lump-sum payment**

When a surviving spouse's pension is discontinued under section 57 on the basis of a new marriage, the surviving spouse is paid as a lump sum an amount equal to the amount of the surviving spouse's pension they would have received for a period of three years or, if the surviving spouse's pension would have continued for a period shorter than three years, the amount paid as a lump sum is an amount equal to the amount their surviving spouse's pension would have been for that period. No lump sum is paid if a child with the right to a survivors' pension after the death of the same deceased person receives under section 53, subsection 3 the right to an imputed share of the surviving spouse's survivors' pension.

The basis for a lump-sum payment is the monthly pension paid last, or, if the pension provider functions as the last pension provider, the total amount of pensions it pays per month.

## **Chapter 4 Determination of pension**

### **Accrual of pension**

#### **Sections 60–61**

*Sections 60–61 were repealed by Act 72/2016.*

#### **Section 62 (72/2016)**

##### **Accrual of pension**

A pension accrues at a rate of 1.5 per cent of the total confirmed income from the self-employed activities insured under this Act for the period from the beginning of the calendar month following the month in which the self-employed person reaches the age of 18 up to the upper age limit of the insurance obligation.

The total confirmed income from the year of the onset of any incapacity for work or the income on which benefits for any unsalaried periods are based does not provide the right to a pension if the projected pension component has been counted as giving entitlement to a pension as laid down in section 63 when determining a disability pension. (1250/2016)

A pension accrues at a rate of 1.5 per cent of the income on which any benefit referred to in section 68 received for an unsalaried period each calendar year is based.

#### **Section 63 (72/2016)**

##### **Determination of projected pension component**

When determining a disability pension, the period giving entitlement to a pension is calculated from the beginning of the calendar year during which the self-employed person became incapacitated for work until the end of the calendar month during which the self-employed person reaches their lowest retirement age (*projected pension component*). If a self-employed person's lowest retirement age has not been laid down at the time of the pension contingency, the period giving entitlement to a pension is calculated from the beginning of the calendar year during which the self-employed person became incapacitated for work until the end of the calendar month during which the self-employed person reaches the lowest retirement age laid down for the age cohort that is closest to them. The condition for

receiving the projected pension component is that the self-employed person has earnings from work totalling at least EUR 12,566.70 from the ten calendar years preceding the year of the onset of the incapacity for work.

The projected pension component is 1.5 per cent of the earnings forming the basis for the projected pension component referred to in section 70.

## **Section 64 (72/2016)**

*Section 64 was repealed by Act 72/2016.*

## **Section 65**

### **Accrual of pension from disability pension period that has ended**

If a self-employed person who has received a disability pension is later granted a pension on new grounds, the period during which the self-employed person received the disability pension is also counted as a period giving entitlement to the pension. When calculating the pension from this period, the projected earnings of the disability pension that has ended are used as the basis. (72/2016)

Under subsection 1 above, the pension accrues from earnings that form the basis for the projected pension component of the disability pension from the beginning of the year of the onset of the incapacity for work until the last month of the disability pension at a rate of 1.5 per cent per year. (630/2009)

If a self-employed person received a disability pension under another earnings-related pension act in addition to a disability pension under this Act, the projected earnings under this Act of the disability pension that has ended have the same relative share of the projected earnings of the disability pensions received by the self-employed person as the share of the total confirmed income referred to in this Act of the total amount of earnings from work under earnings-related pension acts during the reference period referred to in sections 70 and 72. (1250/2016)

If a self-employed person has received a disability pension unduly, this pension period is not counted as giving entitlement to a pension when calculating a new pension.

## **Section 66 (72/2016)**

*Section 66 was repealed by Act 72/2016.*

## **Total confirmed income on which pension is based and benefits giving entitlement to pension**

### **Section 67**

#### **Total confirmed income on which pension is based**

The total confirmed income on which a pension is based is calculated separately for each calendar year. The total confirmed income on which a pension is based is the average of the self-employed person's confirmed incomes weighted by the insurance periods valid during the said year. During the start year and end year of the self-employed activities, the total confirmed income is the share of the annual confirmed income of the said year corresponding to the period for which the self-employed activities continue.

If a self-employed person has, however, paid additional earnings-related pension insurance contributions or reduced earnings-related pension insurance contributions, the total confirmed income for a calendar year is calculated by dividing the insurance contributions paid in total by the self-employed person for the said year by one hundredth of the contribution rate referred to in section 114.

If a self-employed person has outstanding earnings-related pension insurance contributions that have not become time-barred, the total confirmed income for that calendar year equals the confirmed income on the basis of which the earnings-related pension insurance contributions were determined for the self-employed person for the said calendar year. If the outstanding earnings-related pension insurance contributions have become time-barred, the total confirmed income is obtained by multiplying the said confirmed income by the quotient of the earnings-related pension insurance contributions paid by, and those determined for, the self-employed person.

If a self-employed person has paid additional earnings-related pension insurance contributions or reduced earnings-related pension insurance contributions and their confirmed income is subsequently adjusted during the same calendar year, the additional earnings-related pension insurance contributions or reduced earnings-related pension insurance contributions are not taken into account when calculating the self-employed person's total confirmed income for the said calendar year. In such a case, the self-employed person is also not regarded as having exercised their right to pay additional earnings-related pension insurance contributions or reduced earnings-related pension insurance contributions during the said year. Any paid insurance contributions are compensated as provided in the terms and conditions of insurance.

### **Section 68**

#### **Unsalariated periods giving entitlement to pension**

Unsalaries periods give entitlement to a pension if the self-employed person has had earnings from work amounting to at least EUR 12,566.70 prior to the beginning of the pension contingency year.

The income forming the basis for a benefit received by the self-employed person for any unsalaried period from the beginning of the calendar month following the calendar month during which they reached the age of 17 until the end of the year preceding the pension contingency gives entitlement to a pension in the manner referred to in subsection 3. When calculating an old-age pension, the income forming the basis for a benefit received by a self-employed person is, however, taken into account until the old-age pension contingency. (72/2016)

The income forming the basis for benefits during an unsalaried period is considered earnings of the calendar year for which the benefits are paid. Income forming the basis for benefits gives entitlement to a pension as follows:

- 1) 121 per cent of the annual income referred to in the Health Insurance Act forming the basis for the pregnancy, special pregnancy or parental allowance for the period for which the benefit was paid to the self-employed person; (41/2022)
- 2) 75 per cent of the income forming the basis for the earnings-related unemployment allowance pursuant to the Unemployment Security Act to the extent that the allowance was received by the end of the month when the person reached their lowest retirement age;
- 3) 65 per cent of the pay forming the basis for the communicable disease allowance pursuant to the Communicable Diseases Act for the period for which the communicable disease allowance was paid to the self-employed person;
- 4) 55 per cent of the annual income forming the basis for the rehabilitation allowance pursuant to the Act on the Rehabilitation Benefits and Rehabilitation Allowance Benefits of the Social Insurance Institution of Finland for the period for which the benefit was paid to the self-employed person but not, however, if the rehabilitation allowance was paid as a supplement to a pension;
- 5) 65 per cent of EUR 523.61 for each full month for which the self-employed person has received an adult education allowance pursuant to the Act on Adult Education Benefits;
- 6) 65 per cent of the earnings from work forming the basis for the rehabilitation allowance pursuant to earnings-related pension acts or compensation for loss of income granted under the rehabilitation provisions of accident insurance or motor liability insurance for the period for which the benefit was

paid to the self-employed person but not, however, if the rehabilitation allowance was paid in addition to a pension;

- 7) 62 per cent of the annual income forming the basis of a sickness allowance, partial sickness allowance or special care allowance pursuant to the Health Insurance Act for the period for which the benefit was paid to the self-employed person, subject to the provision that the confirmed income forming the basis for a partial sickness allowance is half of the annual income forming the basis of a sickness allowance;
- 8) 65 per cent of the earnings from work forming the basis for compensation for loss of income pursuant to provisions on accident, motor liability or military accident insurance for the period for which the allowance was paid to the self-employed person but not, however, to the extent that a pension accrues for the same reason under paragraph 7.

(1469/2019)

The annual income forming the basis for benefits referred to in subsection 3, paragraphs 1, 4 and 7 is taken into account only if the annual income includes wages and salaries or entrepreneurial income amounting to at least the amount of euros laid down in section 4, subsection 3, paragraph 1 of the Employees Pensions Act. In situations referred to in subsection 3, paragraph 1 of this section, however, the income regarded as forming the basis for a benefit is always at least EUR 523.62 per month. If a benefit referred to in the said paragraph has due to gainful employment been paid at the amount of the minimum rate of allowance, the amount of the minimum rate of allowance paid to the self-employed person is, however, regarded as the income forming the basis for the benefit. (1469/2019)

No pension accrues on the basis of income forming the basis for a benefit for any period for which the self-employed person has received a pension under earnings-related pensions acts. A pension does, however, accrue also on the basis of income forming the basis for a benefit for the duration of a partial old-age pension or survivors' pension. (1469/2019)

If a pension recipient has the right to a pension under two or more earnings-related pension acts, the confirmed income and earned income forming the basis for benefits is only taken into account once.

### **Pension record, its issuance and checking**

#### **Section 69 (72/2016)**

##### **Pension record**

A self-employed person who is aged 17–69 is issued a pension record of their pensionable earnings. The pension record states the following for the six calendar years immediately preceding the year during which the record is issued:

- 1) pensionable earnings from work under earnings-related pension acts by employer;
- 2) work giving entitlement to a pension insured under this Act and the Farmers' Pensions Act as well as the total confirmed income from these;
- 3) income forming the basis for benefits paid for unsalaried periods giving entitlement to a pension by benefit type;
- 4) the grounds and period for benefit accrual under the Act on the Compensation from State Finances of Pension Accrual for Periods of Caring for a Child Aged under Three and for Periods of Study; and
- 5) the amount of pension accrued by the end of the year preceding the year of issue of the pension record but not, however, when the self-employed person is on a partial old-age pension.

In addition, the pension record also states the self-employed person's lowest retirement age if this has been laid down for their age cohort at the time the pension record is issued.

The pension provider issues the pension record when:

- 1) the pension provision of the pension record recipient was based solely on private-sector earnings-related pension acts or on both private- and public-sector earnings-related pension acts in parallel at the end of the year preceding the year in which the pension record is sent or most recently before that; or
- 2) the pension provision of the pension record recipient was based solely on public-sector earnings-related pension acts at the end of the year preceding the year in which the pension record is issued or most recently before that and they also have pensionable earnings from work under private-sector earnings-related pension acts from the three years preceding the year the pension record is sent.

The Finnish Centre for Pensions issues the pension record when the record recipient does not have any registered pensionable earnings from work under earnings-related pension acts but they have registered benefit periods referred to in subsection 1, paragraph 3 or 4.

## **Section 69a (1458/2011)**

### **Issuance of pension record**

The pension record is issued to the self-employed person electronically or in printed form. A printed pension record is issued for the first time to the self-employed person during the year when they reach the age of 20. A printed pension record is not, however, issued if the self-employed person has opted for an electronic pension record in the manner referred to in subsection 2 or if they have viewed the electronic pension record either during the year of issue or during the two calendar years preceding that. (1090/2023)

If a self-employed person prefers to only receive the pension record electronically, they shall opt for the electronic pension record on the pension provider's electronic service or shall view the electronic pension record on the online service at least every three years. Information secure and verifiable identification technology shall be used for the log-in to the electronic service. The electronic pension record is provided to the self-employed person by the pension provider with which the self-employed person was insured at the time of issue of the pension record or most recently before that. (1090/2023)

If a self-employed person who is resident in Finland and has opted for only receiving the electronic pension record does not log in to the service containing the electronic pension record within four calendar years and, during that period, has not in some other manner received the pension record from a private- or public-sector pension provider, the pension provider with which the self-employed person was last insured shall send the self-employed person a printed pension record during the following calendar year. A printed pension record is not, however, sent if the self-employed person does not have any pensionable earnings from work under private-sector earnings-related pension acts during the said four calendar years or any registered benefit periods referred to in section 69, subsection 1, paragraphs 3 and 4.

A printed pension record is sent to a self-employed person resident in Finland, other than one who has opted for the electronic pension record referred to in section 2, in the third calendar year following the date on which they last received a printed pension record or viewed their electronic pension record on the online service. A printed pension record may also be issued to a self-employed person at the self-employed person's request. The printed pension record is sent by the pension provider with which the self-employed person was insured at the end of the calendar year preceding the year in which the pension record is sent or most recently before that. (1090/2023)

The provisions of subsections 3 and 4 on the sending of a printed pension record also apply to the Finnish Centre for Pensions when it issues the pension record pursuant to section 69, subsection 3. A self-employed person may also opt for and check the electronic pension record in the joint electronic service of the earnings-related pension system by logging in to the service as laid down in subsection 2 of this section.

## **Section 69b (1458/2011)**

### **Checking of pension record**

If a self-employed person who has received a pension record referred to in section 69, or a pension record issued by a public-sector pension provider, finds an omission or an error in their information giving entitlement to a pension referred to in section 69, subsection 1, paragraph 1, 3 or 4, they shall submit a request to the pension provider that issued the record or the Finnish Centre for Pensions to verify the correctness of the information. Where necessary, the self-employed person shall provide such evidence for the grounds of their request that may reasonably be required from them. The pension provider issuing the pension record transfers the matter for consideration by the private- or public-sector pension provider responsible for the arrangement of pension provision for the work being examined, or to the Finnish Centre for Pensions. The pension provider and the Finnish Centre for Pensions are not obligated to examine information concerning the private sector for a period longer than the six calendar years preceding the year of issue of the pension record.

If a self-employed person undisputedly proves that they had, prior to the above-mentioned period of six years, such earnings or benefits from the private sector referred to in section 69, subsection 1, paragraph 1, 3 or 4 that have not been taken into account correctly as pensionable earnings or benefits, the pension provider or the Finnish Centre for Pensions takes the information into account retroactively. Undisputably proven earnings from work are taken into account as earnings for the year of payment, and income forming the basis for benefits paid for unsalaried periods as well as for periods of care of a child under the age of three and study periods, is taken into account as earnings for the years covered by the benefit period, child-care period or studies.

A self-employed person has the right to receive a decision on the information giving entitlement to a pension with regard to private-sector information in the situations referred to in subsections 1 and 2. The decision concerning earnings from work is given by the pension provider that examined the work and earnings information or by the Finnish Centre for Pensions, and the decision concerning information referred to in section 69, subsection 1, paragraphs 3 and 4 is given by the pension provider issuing the pension record referred to in section 69, or by the Finnish Centre for Pensions. If the information under subsections 1 and 2 of this section relates to a matter concerning the application of law under section 7 considered by the Finnish Centre for Pensions, the decision concerning this information, too, is given by the Finnish Centre for Pensions.

## **Section 69c (72/2016)**

### **Target retirement age on pension record**

The target retirement age for each age cohort is the age at which the increasing effect of the increase for late retirement calculated from the lowest retirement age of this age cohort is at least equal to the reducing effect of the life expectancy coefficient on the old-age pension.

A pension record providing an estimate of the self-employed person's target retirement age as well as an estimate of the amount of their old-age pension at the target retirement age is sent to a self-employed person not currently on a partial old-age pension no later than during the sixth calendar year preceding their lowest retirement age or their estimated lowest retirement age, unless they have previously during the year of sending the pension record viewed their pension record containing the estimates on the online service. Following this, the estimate of the self-employed person's target retirement age is provided in conjunction with other issuance of the pension record. (1090/2023)

## **Projected pension component**

### **Section 70**

#### **Earnings forming the basis for projected pension component**

The earnings forming the basis for the projected pension component (*projected earnings*) are determined on the basis of the earnings from work as well as the income forming the basis for benefits received for unsalaried periods that the self-employed person had during the five calendar years preceding the year of the onset of the incapacity for work (*reference period*). Projected earnings also include any projected earnings of a disability pension paid during the reference period. Projected earnings per month are the earnings from work, the income forming the basis for benefits during unsalaried periods, the projected earnings of a disability pension, and the sum of the incomes referred to in subsections 5–7 divided by sixty. (630/2009)

The determination of projected earnings does not take into account in the confirmed income of the year preceding the pension contingency any additional earnings-related pension insurance contributions or reduced earnings-related pension insurance contributions paid by the self-employed person under section 116, unless section 72 applies.

The determination of projected earnings takes into account:

- 1) income forming the basis for a pregnancy, special pregnancy and parental allowance at the amount specified in section 68, subsections 3 and 4; and (41/2022)
- 2) income other than income forming the basis for benefits received for unsalaried periods mentioned in paragraph 1 and referred to in section 68 at 100 per cent.

(1469/2019)

*Subsection 4 was repealed by Act 1469/2019.*

**The determination of projected earnings takes into account as income EUR 1,047.22 for each full month for which the self-employed person has been paid a general social security benefit referred to in the Act on a General Social Security Benefit during the reference period. (60/2026)**A daily allowance referred to in the Health Insurance Act is taken into account in accordance with subsection 5, if the annual income forming the basis for it includes a general social security benefit referred to in the Act on a General Social Security Benefit, but no wages and salaries or entrepreneurial income amounting to at least the amount of euros laid down in section 4, subsection 3, paragraph 1 of the Employees Pensions Act. (60/2026)

The determination of projected earnings takes into account as income EUR 1,047.22 for each full month for which the self-employed person has accrued a benefit under the Act on the Compensation from State Finances of Pension Accrual for Periods of Caring for a Child Aged under Three and for Periods of Study during the reference period. (630/2009)

If a self-employed person does not have any pensionable earnings from work during the reference period, the projected pension component is not included in a pension on the basis of income forming the basis for benefits received for unsalaried periods referred to in section 68 or income referred to in subsections 5–7 either. (630/2009)

## **Section 71**

### **Impact of child-care period on projected pension component**

If a self-employed person's earnings from work are lower than their established level of earnings during the reference period referred to in section 70, subsection 1 due to caring for a child under the age of three and if this circumstance has an impact of at least 20 per cent on their amount of pension under earnings-related pension acts, the earnings which have not been reduced due to a child-care period are, on application by the self-employed person, considered their earnings referred to in section 70, subsection 1. In such a case, however, the earnings from work from the last ten years at the maximum are taken into account.

## **Section 72**

## **Determination of projected pension component on the basis of earnings from less than five years**

If a self-employed person has pensionable earnings from work only for the year of the onset of the incapacity for work or the year preceding that year, the earnings of the year of the onset of the incapacity for work until the end of the month during which the self-employed person became incapacitated for work are also taken into account when determining the projected earnings. (1250/2016)

If a self-employed person has become incapacitated for work prior to the end of the calendar year during which they reach the age of 23, the reference period is the period from the beginning of the month following the month in which they reached the age of 18 until the end of the month of the onset of their incapacity for work. In such a case, the projected earnings per month are the sum of the projected earnings referred to in section 70 and received during this reference period divided by the number of months included in that period but not, however, by more than 60.

When the projected pension component is determined under this section, any additional earnings-related pension insurance contributions and reduced earnings-related pension insurance contributions paid by the self-employed person under section 116 are taken into account in the confirmed income for the year preceding the pension contingency.

### **Section 73 (1250/2016)**

#### **Share of projected earnings under this Act**

If the projected pension component is taken into account in a self-employed person's pension under several different earnings-related pension acts, the projected earnings under this Act amount to a share of the total projected earnings that is equal to the share of the total earnings from work under this Act of the total amount of earnings from work under earnings-related pension acts during the reference period referred to in section 70 or 72.

#### **Other issues affecting the amount of disability pension**

### **Section 74**

#### **Pension on the basis of previous grounds**

If a self-employed person who has received a rehabilitation allowance under earnings-related pension acts is granted a disability pension on the basis of incapacity for work the onset of which was before two years had elapsed since the end of the rehabilitation allowance period, the disability pension is

determined on the basis of the same grounds as the rehabilitation allowance granted first, but without the 33 per cent increase relating to the rehabilitation allowance. (1250/2016)

If a self-employed person who has received a disability pension is later granted a disability pension on the basis of such new incapacity for work that started before two years had elapsed since the end of the disability pension granted first, the new disability pension is determined on the basis of the same grounds as the disability pension that was granted first. The same applies if a new disability pension is granted to a self-employed person who has received a disability pension on the basis of the same disease, impairment or injury as the previous disability pension.

*Subsection 3 was repealed by Act 72/2016.*

## **Section 75**

### **Lump-sum increase of disability pension**

A self-employed person's disability pension is increased by a lump sum from the beginning of the calendar year by which five calendar years have elapsed from the beginning of the pension. No lump-sum increase is made if the self-employed person has reached the age of 56. No lump-sum increase is made to a rehabilitation increment. (636/2009)

The lump-sum increase is calculated on the basis of the total amount of pensions being paid to the self-employed person under private-sector earnings-related pension acts. The increase is determined according to the self-employed person's age at the beginning of the year of the increase. The percentage increase is 25 if the self-employed person is aged 31 or under at the beginning of the year of the increase. The percentage increase is reduced by 1.0 percentage points for each subsequent year of age. (1469/2019)

### **Adjustment of pension provision to change in general life expectancy (72/2016)**

## **Section 76 (72/2016)**

### **Adjustment of pension provision to change in general life expectancy**

The lowest retirement age of a self-employed person born in or after 1965, the lower age limit for a partial old-age pension and the lowest age limit for a years-of-service pension are adjusted for change in life expectancy. The age limits are confirmed for the year in which the self-employed person reaches the age of 62.

An old-age pension, partial old-age pension, years-of-service pension and disability pension are adjusted to change in life expectancy by means of the life expectancy coefficient referred to in section 83 of the

Employees Pensions Act. When a pension starts, the pension is adjusted by means of the life expectancy coefficient confirmed for the year in which the self-employed person reaches the age of 62. If a pension other than a disability pension starts before that year, it is adjusted by means of the life expectancy coefficient confirmed for the start year of the pension. If a self-employed person's incapacity for work begins before the year during which they reach the age of 62, the disability pension is adjusted by means of the life expectancy coefficient confirmed for the year of the onset of the incapacity for work. When a disability pension or years-of-service pension is converted to an old-age pension, the pension is not adjusted anew by means of the life expectancy coefficient. When a partial old-age pension is converted to an old-age pension, the share of the old-age pension left unadjusted by means of the life expectancy coefficient is adjusted by means of the life expectancy coefficient confirmed for the year in which the self-employed person reaches the age of 62.

The age limits referred to in subsection 1 above are determined in compliance with section 83 of the Employees Pensions Act. The Ministry of Social Affairs and Health confirms the age limits referred to in subsection 1 by decree issued annually no later than one month before the beginning of the calendar year during which the self-employed person reaches the age of 62. (1090/2023)

## **Determination of survivors' pension**

### **Section 77 (72/2016)**

#### **Basis for survivors' pension**

A survivors' pension is determined on the basis of any old-age pension, full disability pension or years-of-service pension received by the deceased person under this Act at the time of their death. The pension which the deceased person accrued while receiving the pension is added to the deceased person's pension as a basis for the survivors' pension.

If the deceased person, at the time of their death, was not receiving any pension referred to in subsection 1 or was receiving a partial old-age pension, the pension which the deceased person would have received had they become incapacitated for work to an extent giving entitlement to a full disability pension on the day of their death is used as the basis for the survivors' pension.

Any decrease in the pension of the deceased person under sections 85–87 is not taken into account in the basis for the survivors' pension.

If the deceased person had, at the time of their death, reached an age giving entitlement to an old-age pension under an earnings-related pension act but was not, at the time of their death, receiving an old-

age pension or partial old-age pension, the pension the deceased person had accrued under this Act by the date of their death counts as a basis for the survivors' pension.

If, at the time of their death, the deceased person was receiving a disability pension which did not include a lump-sum increase referred to in section 75, a lump-sum increase to a survivors' pension being paid is made from the beginning of the calendar year by which the deceased person's disability pension and the survivors' pension granted on the basis of it have together been ongoing for five calendar years. If the deceased person was not receiving a pension at the time of their death, the lump-sum increase to the survivors' pension being paid is made from the beginning of the calendar year by which the survivors' pension has been ongoing for five calendar years. The lump-sum increase percentage is determined in the manner referred to in section 75, subsection 2 according to the age that the deceased person would have reached at the time of the increase.

## **Section 78**

### **Amount of surviving spouse's and former spouse's pension**

The maximum amount of a surviving spouse's pension is a share of the basis for the survivors' pension amounting to:

- 1)  $\frac{6}{12}$  if the beneficiary is the surviving spouse or the surviving spouse and one child;
- 2)  $\frac{5}{12}$  if the beneficiary is the surviving spouse and two children;
- 3)  $\frac{3}{12}$  if the beneficiary is the surviving spouse and three children;
- 4)  $\frac{2}{12}$  if the beneficiary is the surviving spouse and four or more children.

(1007/2021)

The amount of the survivors' pension of a former spouse of the deceased person is determined so that its share of the amount of the surviving spouse's pension calculated according to subsection 1 is a share that is the same as 60 per cent of any maintenance paid by the deceased person to the former spouse is of the pension of the deceased person referred to in section 77.

If the beneficiaries also include a surviving spouse, the combined amount of survivors' pension of any former spouses is a maximum of half of the surviving spouse's pension. The total amount is deducted from the surviving spouse's pension and divided between the former spouses in relation to the amounts of maintenance.

If the beneficiaries of a surviving spouse's pension include more than one surviving spouse, the share of any former spouse under subsection 2 is deducted from the total amount of the surviving spouse's pension and the remaining amount is divided equally between the surviving spouses who are beneficiaries of the surviving spouse's pension. If the share of a former spouse under subsection 2 would exceed the total amount of the surviving spouse's pension divided by the number of the surviving spouses and former spouses who are beneficiaries, the share under subsection 2 may, however, only equal at most the amount of the surviving spouse's pension under subsection 1 divided into equal shares. (1007/2021)

## **Section 79**

### **Amount of orphan's pension**

Unless otherwise provided by section 85 or 86, the total amount of orphan's pensions is a share of the basis for the survivors' pension amounting to:

- 1)  $\frac{4}{12}$  if there is one child;
- 2)  $\frac{7}{12}$  if there are two children;
- 3)  $\frac{9}{12}$  if there are three children; and
- 4)  $\frac{10}{12}$  if there are four or more children.

The total amount of orphan's pensions is divided equally between the children who are beneficiaries.

The share of the survivors' pension referred to in section 53, subsection 3 paid as an orphan's pension is divided equally between the children who are beneficiaries. (1007/2021)

## **Section 80**

### **Adjustment of survivors' pension**

The amount of a survivors' pension and its distribution between the beneficiaries is adjusted whenever there is a change in the number of beneficiaries. The adjustment takes place from the beginning of the calendar month following the change.

The amount of a survivors' pension is also adjusted when a lump-sum increase referred to in section 77, subsection 3 is made to a disability pension forming the basis for the survivors' pension. In such a case, the survivors' pension is adjusted from the same date as when the lump-sum increase is made.

## **Section 81**

## **Reduction of surviving spouse's pension**

Any pensions received by a surviving spouse based on gainful employment under earnings-related pension acts and comparable acts reduce the surviving spouse's pension. When reducing a surviving spouse's pension, the pensions received by the surviving spouse are taken into account without reducing the primary benefits, and any partial disability pension received by the surviving spouse is taken into account at the amount of a full disability pension. When reducing a surviving spouse's pension, in addition to any old-age pension received by the surviving spouse, any pension that the deceased spouse had accrued, by the end of the year preceding the year of the deceased person's death, from work for which no pension has yet been granted is taken into account when reducing the surviving spouse's pension. Furthermore, any benefit equivalent to the above-mentioned pension payable to the surviving spouse from abroad or on the basis of service in an institution of the European Union or an international organisation is taken into account when reducing a surviving spouse's pension. (888/2014)

If a surviving spouse is not receiving a pension referred to in subsection 1 or if they are receiving a partial old-age pension, the imputed pension that they would have been granted had they become incapacitated for work in a manner giving entitlement to a full disability pension on the day of the death of the deceased person is, nevertheless, regarded as their earnings-related pension. If a surviving spouse has reached an age that gives entitlement to an old-age pension under an earnings-related pension act by no later than the date of the death of the deceased person, the imputed pension that the surviving spouse had accrued by the end of the year preceding the year of the death of the deceased person is regarded as their earnings-related pension. If a surviving spouse has worked abroad or in the service of an institution of the European Union or an international organisation, the imputed pension that the surviving spouse would have been granted, if the work included in the insurance period based on their work abroad or in the service of an institution of the European Union or an international organisation had been covered by this Act, is regarded as their earnings-related pension. (948/2016)

If the pension provider gives the amount of imputed pension of a surviving spouse to a pension provider which attends to the implementation of public-sector earnings-related pension acts for the purpose of determining the survivors' pension under public-sector earnings-related pension acts, the surviving spouse has the right, on request, to receive a decision on the amount of their imputed pension from the pension provider.

## **Section 82**

### **Time of reduction of surviving spouse's pension**

A surviving spouse's pension is reduced from the beginning of the seventh calendar month following the death of the deceased person. However, if the surviving spouse had reached the age of 65 when the

deceased person died or is receiving a pension referred to in section 81, subsection 1, the survivors' pension is reduced from the beginning of the calendar month following the death of the deceased person.

If a child or children entitled to an orphan's pension after the death of the deceased person were living in the same household as the deceased person and the surviving spouse when the deceased person died, the surviving spouse's pension is not reduced until the youngest child reaches the age of 18. In such a case, the disability pension that the surviving spouse would have been granted had they become incapacitated for work to an extent giving entitlement to a full disability pension when the youngest child reaches the age of 18 is regarded as the surviving spouse's imputed pension. If, at that time, the surviving spouse has reached the age giving entitlement to an old-age pension, the old-age pension that they have accrued by the end of the year preceding the year in which the youngest child reaches the age of 18 is regarded as the surviving spouse's imputed pension. (888/2014)

## **Section 83**

### **Basis and amount of reduction of surviving spouse's pension**

A surviving spouse's pension is reduced if the surviving spouse's earnings-related pensions referred to in section 81 exceed the basis for pension reduction. The reduction in the pension is 50 per cent of the difference between the surviving spouse's earnings-related pensions referred to in section 81 and the basis for pension reduction. The basis for pension reduction is EUR 500 per month. (630/2009)

*Subsection 2 was repealed by Act 630/2009.*

If a surviving spouse has the right to receive, in addition to a surviving spouse's pension under this Act, a surviving spouse's pension under another earnings-related pension act, an amount that is a share of the reduction referred to above that is equal to the share of the surviving spouse's pension under this Act is of all the surviving spouse's pensions under the earnings-related pension acts is deducted from the surviving spouse's pension under this Act.

When adjusting a surviving spouse's pension, the same basis for the pension reduction is used as when reducing the surviving spouse's pension for the first time. (888/2014)

## **Section 84**

### **Reduction of surviving spouse's pension in special circumstances**

When reducing a surviving spouse's pension, the surviving spouse's average earned income and benefits based on this as well as any partial disability pension or partial old-age pension are taken into account at the request of the surviving spouse instead of earnings-related pensions if:

- 1) the surviving spouse is not receiving an earnings-related pension based on their own work or if the surviving spouse is receiving a partial disability pension or a partial old-age pension;
- 2) the surviving spouse has submitted an application regarding the matter within five years of the death of the deceased person or at the time when the surviving spouse's pension is first reduced; and
- 3) the said earned income and the benefits based on it as well as any partial disability pension or partial old-age pension amount, when 60 per cent of the earned income is taken into account, to at least 25 per cent less than the pension of the surviving spouse determined according to section 81.

(1469/2019)

The average earned income referred to in subsection 1 above is calculated based on the earnings of the surviving spouse for the period of six months preceding the submission of the application, and the pension reduction under subsection 1 takes place from the beginning of this retroactive period at the earliest.

*Subsection 3 was repealed by Act 1250/2016.*

*Subsection 4 was repealed by Act 888/2014.*

## **Section 84a (1250/2016)**

### **Adjustment of surviving spouse's pension**

A surviving spouse's pension is adjusted when a change due to which the conditions referred to in section 84, subsection 1 are no longer fulfilled occurs in the circumstances of the surviving spouse.

If, when reducing the surviving spouse's pension for the first time, an imputed disability pension has been taken into account as the surviving spouse's own pension or if the reduction in the surviving spouse's pension has taken place under section 84, the surviving spouse's pension is adjusted when the surviving spouse is granted an old-age pension, a years-of-service pension or a disability pension under earnings-related pension acts or comparable acts.

A surviving spouse's pension is also adjusted if a disability pension received by the surviving spouse taken into account when reducing the surviving spouse's pension ends and the surviving spouse is later granted a new pension other than a partial old-age pension to which the provisions of section 74 on the granting of a pension on the basis of previous grounds do not apply.

The surviving spouse's pension is adjusted from the start of a pension referred to in subsection 2 or 3. Any pension granted to the surviving spouse and, in addition, any pension accrued by the end of the

year preceding the start of the said pension from any work for which the surviving spouse has not been granted a pension is taken into account when reducing the surviving spouse's pension.

## **Chapter 5**

### **Deduction of primary benefits from pension**

#### **Section 85 (1431/2011)**

##### **Benefits deducted from pension**

Any primary benefit received by a self-employed person is deducted from a pension under this Act, and any survivor's pension or compensation equivalent to a primary benefit is deducted from a survivor's pension under this Act. Primary benefits comprise:

- 1) compensation for loss of income based on the Workers' Compensation Act, excluding the workers' compensation pension under section 68 of the said Act and the allowance paid prior to reaching the upper age limit of the insurance obligation that is based on an occurrence referred to in the said section of the Act, or compensation for loss of income from which the earnings-related pension referred to in section 202, subsection 2 of said Act, has been deducted; (1250/2016)
- 2) compensation for loss of income based on the Occupational Accident and Disease Act for Farmers, excluding the worker's compensation pension under section 58 of the said Act and the allowance paid prior to reaching the upper age limit of the insurance obligation that is based on an occurrence referred to in the said section of the Act; (1250/2016)
- 3) compensation for loss of income or a pension based on the person's own bodily injury granted pursuant to the Motor Liability Insurance Act;
- 4) compensation for loss of income or a pension granted pursuant to the Act on Rehabilitation Compensated According to the Motor Liability Insurance Act;
- 5) compensation for loss of income granted under the Act on Compensation for Military Accidents and Service-Related Illnesses or the Act on Compensation for Accidents and Service-Related Illnesses in Crisis Management Duties. (1149/2020)

*Paragraph 6 was repealed by Act 1149/2020.*

(72/2016)

Notwithstanding the provisions of subsection 1, after the deduction of a primary benefit, the amount of the pension is, however, at least the amount of the pension accrued by the self-employed person based on their confirmed income after the year of the occurrence on which the primary benefit is based. The pension paid to a self-employed person under this Act is a share of the difference between the total amount of all earnings-related pensions and the primary benefit deduction but, however, at least of the minimum amount referred to above, that is equal to the share of the pension under this Act of all of their earnings-related pensions.

If a lump-sum increase has been made to a pension or a primary benefit under this Act, the pension or primary benefit is taken into account with the lump-sum increase when deducting the primary benefit.

If, however, the occurrence on which the primary benefit is based took place before 2004, the deduction of primary benefit referred to in subsection 1 and 2 is not made.

## **Section 86**

### **Deduction of benefit received from abroad**

A benefit paid from another state equivalent to a benefit referred to in section 85, subsection 1 is also regarded as a primary benefit.

If, when determining a self-employed person's pension, the projected pension component is taken into account under the pension legislation of two or more EU or EEA countries or social security agreement countries, any overlapping projected pension component is prevented by granting the projected pension component under this Act in a proportion equalling the proportion of the self-employed person's insurance period under earnings-related pension acts of the insurance periods of all of the countries granting projected pension components.

## **Section 87**

### **Impact of change in primary benefit or pension on amount of pension (913/2010)**

The deduction of a primary benefit from a pension is adjusted if the pension recipient is granted a new primary benefit or if the amount of a primary benefit or a pension under this Act changes for a reason other than an index adjustment or a lump-sum increase. The amount of pension is also adjusted if a primary benefit has been deducted from a pension under this Act and the pension recipient is granted another earnings-related pension. An allowance under the Workers' Compensation Act, the Occupational Accident and Disease Act for Farmers or the Act on Compensation for Military Accidents and Service-Related Illnesses or the Act on Compensation for Accidents and Service-Related Illnesses in Crisis Management Duties or compensation for loss of income under the Motor Liability Insurance Act is not,

however, deducted from a partial disability pension if it has been granted on the basis of an occurrence or a traffic accident that took place during the partial disability pension. Compensation for loss of income or a pension under the Workers' Compensation Act, the Occupational Accident and Disease Act for Farmers, the Act on Compensation for Military Accidents and Service-Related Illnesses, the Act on Compensation for Accidents and Service-Related Illnesses in Crisis Management Duties, the Motor Liability Insurance Act or the Act on Rehabilitation Compensated According to the Motor Liability Insurance Act is also not deducted from a partial old-age pension or a share of a years-of-service pension equivalent to the amount of a partial old-age pension if it has been granted on the basis of an occurrence or a traffic accident that took place during the partial old-age pension before the pension recipient has reached their lowest retirement age. (1149/2020)

The amount of a survivors' pension is adjusted if the pension recipient is granted a survivors' pension equivalent to a primary benefit, or a survivors' pension under earnings-related pension acts, and a primary benefit has been deducted from a survivors' pension under this Act.

The pension is adjusted from the time that a benefit referred to in subsection 1 is granted or from which the amount of a benefit or a pension under this Act changes. If a pension recipient is granted a foreign benefit referred to in section 86, subsection 1 or the amount of the foreign benefit changes, the pension amount is adjusted from the beginning of the calendar month following the month during which the pension provider is informed of the granting or changing of such benefit.

The amount of pension is not adjusted if the primary benefit is granted or its amount changes for a period no longer than four months calculated from the start or changing of the benefit.

## **Section 88**

### **Right of recourse**

A pension under this Act may be paid at an unreduced level until the amount of a primary benefit has been finally decided. The right of a pension recipient to a primary benefit is transferred to the pension provider to the extent that the benefit would have reduced the pension.

The pension provider has the right to recover an amount of disability pension, survivors' pension and rehabilitation benefit it has paid under the Rail Traffic Liability Act (113/1999) from the party liable to compensate if a self-employed person's incapacity for work or a deceased person's death is caused by an occurrence for which compensation must be paid under the Rail Traffic Liability Act. The right of recourse of the pension provider may not exceed the amount that the injured party or beneficiary would be entitled to receive under the Rail Traffic Liability Act. (72/2016)

If a disability pension, survivors' pension or rehabilitation benefit is granted for a period for which compensation for loss of income has been paid under the Rail Traffic Liability Act, the self-employed person is paid the disability pension, survivors' pension or rehabilitation benefit for that period only at any amount exceeding the compensation for loss of income under the Rail Traffic Liability Act. (1469/2019)

The pension provider has the right to recover an amount of disability pension and rehabilitation benefit it has paid from the Patient Insurance Centre if the self-employed person's incapacity for work is caused by an occurrence for which compensation must be paid under the Patient Insurance Act (948/2019). The right of recourse of the pension provider may not exceed the amount that the injured party would be entitled to receive under the Patient Insurance Act. (1149/2020)

If a disability pension or rehabilitation benefit is granted for a period for which compensation for loss of income has been paid under the Patient Insurance Act, the self-employed person is paid the disability pension or rehabilitation benefit for that period only at any amount exceeding the compensation for loss of income under the Patient Insurance Act. (1149/2020)

## **Chapter 6**

### **Taking changes in pay and price levels into account**

#### **Section 89**

##### **Adjustment of earnings limits, monetary amounts, annual confirmed income and total confirmed income by means of wage coefficient (1157/2022)**

The earnings limits, monetary amounts and upper and lower limits referred to in this Act as well as the self-employed person's annual confirmed income confirmed by the pension provider are adjusted annually from the beginning of January by means of the wage coefficient referred to in section 96, subsection 1 of the Employees Pensions Act. When calculating a pension, the total confirmed income is adjusted by means of the wage coefficient to the level of the start year of the pension. In addition, when calculating another pension paid after a partial old-age pension or the latter pension share of a partial old-age pension, the pension share providing the basis for the partial old-age pension that is yet to be granted is adjusted by means of the wage coefficient to the level of the start year of the pension. (1157/2022)

The earnings limits, monetary amounts and upper and lower limits referred to in this Act correspond to the value of one (1.000) of the wage coefficient referred to in subsection 1 in 2004.

#### **Section 90**

## **Index adjustment of pensions**

A pension being received is adjusted annually from the beginning of January using the earnings-related pension index referred to in section 98 of the Employees Pensions Act.

## **Chapter 7**

### **Pension application and decisions**

#### **Section 91**

##### **Pension application**

A self-employed person shall apply for a pension from the pension provider using an application that has the information content confirmed by the Finnish Centre for Pensions necessary to make a decision on the matter. If the pension provider already has the information required to make a decision on the matter, the pension provider may decide on the matter also on the basis of a different kind of application. The application shall be accompanied by the evidence required to make a decision on the matter. (1469/2019)

If a self-employed person has the right to rehabilitation under section 22, the pension provider issues, without a rehabilitation application, a preliminary decision on rehabilitation under the earnings-related pension system in conjunction with the consideration of a disability pension application under section 33 or a years-of-service pension application under section 50j. (72/2016)

Further provisions on application for a pension are laid down by government decree. (1469/2019)

#### **Section 92**

##### **Evidence of disability pension applicant's health status**

A disability pension applicant shall submit to the pension provider a medical report on their state of health containing a treatment or rehabilitation plan. The pension provider may, however, also accept a different kind of medical report or equivalent evidence. The pension provider may also, at its own expense, obtain a medical report if the applicant is being treated in hospital or where there is some other special reason for doing so.

A disability pension applicant is obligated, where ordered by the pension provider, to undergo an examination by a licensed physician designated by the pension provider or by a rehabilitation or research facility indicated by the pension provider in order to establish any reduction in ability to work. If the applicant refuses the examination without a legitimate reason, the pension application may be decided on the basis of available evidence.

The pension provider is obligated to compensate the disability pension applicant for any reasonable costs arising from the examination referred to in subsection 2 and from any travel.

## **Section 92a (72/2016)**

### **Evidence relating to application for years-of-service pension**

A years-of-service pension applicant shall submit to the pension provider a statement by an occupational healthcare provider containing:

- 1) a description of the contents of the applicant's current work and an assessment of the strain and wear involved in the work specified in section 50b and of the ability to work required in the work;
- 2) a medical report by an occupational health physician on the applicant's state of health and ability to work;
- 3) an assessment of the applicant's possibilities to continue working referred to in section 50a, subsection 1, paragraph 3; and
- 4) a description of the contents of the applicant's previous work and an assessment of the degree of strain and wear involved in it specified in section 50b if evidence of the applicant's work history is available.

A years-of-service pension applicant shall, in addition, submit to the pension provider evidence of the content of self-employed activities.

If a statement by an occupational healthcare provider is not available or if the statements or reports provided are not sufficient to make a decision on a pension matter, the pension provider may accept some other evidence equivalent to these statements or reports. In such a case, the applicant shall submit to the pension provider the evidence required to make a decision on the application concerning their state of health, ability to work, number of years of service or content of work.

A years-of-service pension applicant is obligated, where ordered by the pension provider, to undergo an examination by a licensed physician designated by the pension provider or by a rehabilitation or research facility indicated by the pension provider in order to establish any reduction in ability to work or to obtain a statement or report laid down in this section. If the applicant refuses the examination without a legitimate reason, the pension application may be decided on the basis of available evidence.

The pension provider is obligated to compensate the years-of-service pension applicant for any reasonable costs arising from the examination referred to in subsection 4 and from any travel.

## **Section 93**

### **Application for pension on behalf of self-employed person**

If a self-employed person is personally unable to apply for a pension or otherwise attend to pension-related issues due to their age, disability, disease or another reason and they do not have a guardian, a close relative of the self-employed person or a person caring for the self-employed person approved by the pension provider may apply for a pension on behalf of the self-employed person and otherwise exercise the right of action on behalf of the self-employed person in matters concerning a pension under this Act.

## **Section 94**

### **Pendency of pension application**

A pension application is regarded as having been filed on the date on which it is received by a pension provider referred to in earnings-related pension acts or by the Finnish Centre for Pensions or by an agent authorised for the purpose by the Finnish Centre for Pensions.

## **Section 95**

### **Decision and service of decision**

The right to a pension under this Act and the amount of pension are decided by means of a decision issued by the pension provider. The competent pension provider shall decide on a pension application without delay once it has received the necessary evidence.

The competent pension provider may issue a decision on the granting of a pension as a temporary decision for the period of time required by the consideration of the matter and the issue of a final decision on the matter. A temporary decision is ineligible for review. (1431/2011)

The pension provider and the Finnish Centre for Pensions serve their decision by letter posted to the recipient to the address indicated by the recipient.

Further provisions on the mechanical signing of a decision by a pension provider and by the Finnish Centre for Pensions are issued by government decree.

## **Section 95a (871/2014)**

### **Stating reasons for decision**

The provisions of section 45 of the Administrative Procedure Act (434/2003) apply to stating the reasons for a decision by a pension provider. If the pension provider rejects a benefit application in full or in part

and the decision is based in essential parts on medical facts, the reasons for the decision shall contain the facts that primarily influenced the assessment and the conclusions drawn on the basis of these facts.

The decision of the pension provider on the confirmation of confirmed income shall contain the information used as the basis for confirming the confirmed income. Section 45, subsection 2, paragraph 4 of the Administrative Procedure Act does not apply to decisions on the confirmation of confirmed income. (1157/2022)

## **Section 96 (636/2009)**

### **Competent pension provider**

A competent pension provider under this Act and its duties are determined as laid down in sections 106, 107, 107a, 107b and 108–111 of the Employees Pensions Act on the competent private-sector pension provider and on the last pension provider.

## **Chapter 8**

### **Payment of pension, increase for delay and recovery**

## **Section 97**

### **Payment of pension**

A pension is paid to the pension recipient, unless otherwise provided in this chapter or in any other act. (1099/2008)

A pension is paid monthly so that the pension is available for withdrawal from the account at a financial institution operating in Finland indicated by the pension recipient on the due date indicated in the pension decision. A pension may also be paid to the pension recipient's account abroad.

## **Section 98**

### **Start, termination, suspension and discontinuation of payment**

The payment of a pension starts from the beginning of the calendar month in which the entitlement to the pension has arisen, subject to the provisions of chapter 3. A pension is paid until the end of the calendar month during which the entitlement to the pension has ended.

If the pension provider has reason to suspect that the pension recipient no longer fulfils the conditions for receiving a pension, the pension provider may suspend the payment of the pension. The condition for this is that the pension provider has requested evidence from the pension recipient concerning

aspects relating to the amount of pension or pension right, but the pension recipient has not presented such evidence within a reasonable time set by the pension provider.

If no evidence of the death of the pension recipient can be provided but it is probable that they have died due to drowning, some other accident or some other cause comparable to these, the pension provider discontinues the pension from the beginning of the month following the month of the probable date of death of the pension recipient estimated by the pension provider on the basis of the missing person report filed with the police or other corresponding evidence. (1007/2021)

If a survivors' pension has been granted under this Act and it later emerges that a person presumed to be deceased is alive, the survivors' pension is discontinued from the beginning of the month following the month in which the evidence was obtained. (1007/2021)

## **Section 99**

### **Pension as lump-sum payment**

If an old-age pension, survivors' pension or full disability pension amounts, before the deduction of a primary benefit, to less than EUR 20 per month, the pension provider may pay the pension as a lump sum.

When a pension referred to in subsection 1 amounts to at least EUR 20 but no more than EUR 50 per month, the pension provider may pay the pension as a lump sum if the pension recipient has been notified of the payment of the pension as a lump sum and the pension recipient has not objected to this within a reasonable time set by the pension provider.

A lump-sum payment of a disability pension granted until further notice also includes the old-age pension awarded after it.

When a disability pension is paid as a lump sum, no retroactive pension payments are made to the National Health Insurance Fund.

When a pension is paid according to the principle of the last pension provider on the basis of the summary of decisions referred to in section 107 of the Employees Pensions Act, the amount of pension referred to in subsections 1 and 2 means the total amount of the pensions included in the summary of the decisions.

The Ministry of Social Affairs and Health issues by decree the lump-sum payment coefficients, which shall be determined on the basis of actuarial grounds.

## **Section 100**

### **Increase for delay**

If the payment of a pension under this Act is delayed, the pension provider shall pay the delayed pension with an increase for the period of delay. The pension increase calculated per year is pursuant to the interest rate referred to in section 4 subsection 1 of the Interest Act (633/1982). The obligation to pay the pension with an increase also applies to pensions which the pension provider pays as the last pension provider.

The obligation to pay a pension with an increase under subsection 1 does not apply to any part of a pension paid to another insurance or pension provider providing statutory insurance cover or to the Social Insurance Institution of Finland or to an unemployment fund due to a claim for recourse of the institution in question.

An increase for delay is not paid if its amount is less than EUR 5.39.

## **Section 101**

### **Period for which increase for delay is paid**

An increase to a pension is calculated for each day of the period of delay but not, however, before three months have elapsed from the end of the calendar month during which the self-employed person presented to the pension provider their claim as well as such evidence for the basis of the pension that can reasonably be required from them, also taking into account the pension provider's possibilities of obtaining evidence. The increase for delay is calculated from the due date for a pension payment payable at a later date on the basis of the same decision.

If the payment of a pension is delayed for a reason attributable to the pension recipient, the pension provider is not obligated to pay the pension with an increase for a period longer than from the date when the pension provider became aware of the cessation of the obstacle.

If the payment of a pension is delayed due to a provision of law or an interruption in payment transactions or some other similar general obstacle, the pension provider is not obligated to pay the pension with an increase for the period of delay caused by such an obstacle.

## **Section 102**

### **Deduction of unsalaried earnings-related pension insurance contributions from pension**

Any earnings-related pension insurance contributions under this Act that are unsalaried by a pension recipient may, together with late-payment interest, be deducted from their pension accrued from self-

employed activities referred to in this Act and from the projected pension component under this Act. (1270/2018)

No earnings-related pension insurance contributions are collected for any pension component that shall be paid to the National Health Insurance Fund. With regard to any other pension component, earnings-related pension insurance contributions may be collected without the pension recipient's consent at a maximum of one third of the amount of a pension under subsection 1 paid at any given time. This limitation does not, however, apply to a pension paid as a lump sum.

A pension reduction due to the collection of earnings-related pension insurance contributions is, however, regarded to apply at any given time to the oldest collectable and outstanding earnings-related pension insurance contribution.

### **Section 103 (1250/2016)**

#### **Payment of rehabilitation benefit to employer**

If a self-employed person receiving a rehabilitation allowance or a disability pension and a related rehabilitation increment is undergoing a work trial or job coaching for which they receive pay from an employer, the rehabilitation allowance or disability pension and any related rehabilitation increment is, on application, paid for this period to the employer at an amount not exceeding the pay paid for the same period.

If a self-employed person receiving a rehabilitation allowance or a disability pension and a related rehabilitation increment is undergoing a work trial or job coaching for which they receive pay or equivalent compensation from an employer for a period for which the self-employed person is ordered to stay away from this gainful employment or ordered into isolation or quarantine to prevent the spread of a communicable disease, the pension for this period is, on application, paid to the employer at an amount not exceeding the pay or equivalent compensation paid for the same period.

A rehabilitation allowance, disability pension or rehabilitation increment is not paid to the employer to the extent that it, under section 104 of this Act and section 118 of the Employees Pensions Act, shall be paid to the National Health Insurance Fund nor when the employer has received compensation for the pay the employer has paid under some other act.

### **Section 104**

#### **Payment of pension to recipient other than self-employed person**

The provisions of the Employees Pensions Act laid down in the following sections of the said Act apply to pensions under this Act:

- 1) the provisions of section 118 on the payment of a pension and a rehabilitation benefit to the National Health Insurance Fund;
- 2) the provisions of section 119 on the payment of a pension to a wellbeing services county; (573/2022)
- 3) the provisions of section 120 on the payment of a pension to the Social Insurance Institution of Finland or an unemployment fund; and
- 4) the provisions of section 122 on the payment of a pension to a wellbeing services country on the basis of consent. (573/2022)

In such a case, a self-employed person is considered to have the same status as an employee referred to in the said provisions.

The time limit for presenting a claim for payment is determined under section 121 of the Employees Pensions Act and the order of payment of pensions under section 123 of the said Act.

## **Section 105**

### **Transfer or pledging of pension**

A pension may not be transferred to another person. Any agreement providing for the pledging of a pension is void.

Any compensation for costs paid under this Act is not distrainable.

## **Section 106**

### **Time-barring of pension**

The right to receive a pension becomes time-barred in five years from the date on which the pension should have been paid, unless the limitation period is interrupted prior to that. A new limitation period of five years begins to run when the limitation period is interrupted. The limitation period is interrupted as laid down in section 10 or section 11 of the Act on the Limitation of Debts (728/2003). The limitation period may be extended as laid down in section 11, subsection 3 of the Act on the Limitation of Debts.

## **Section 107**

### **Recovery of unduly paid pension**

If an amount of pension exceeding the amount the recipient has the right to receive has been paid, the pension provider shall recover the unduly paid pension.

The pension provider may waive the recovery of the unduly paid pension fully or in part if this is considered reasonable and if the payment of the pension is not to be regarded as having been due to the deceitful behaviour of the pension recipient or their representative. The pension provider may also waive the recovery of the unduly paid pension if the amount to be recovered is small.

The provisions of subsections 1 and 2 also apply when the pension provider, when acting as a private-sector competent pension provider or as the last pension provider, has unduly paid a pension under private-sector pension acts. If the last pension provider has unduly paid a pension under the Public Sector Pensions Act, Keva decides on the recovery as laid down on recovery in the Public Sector Pensions Act. The last pension provider issues a summary of the decisions regarding the pensions to be recovered and recovers the amount to be recovered. (72/2016)

A decision on the recovery of an unduly paid pension shall be made within five years of the date of payment of the pension. A receivable confirmed through a recovery decision becomes time-barred within five years of the date of decision, unless the limitation period has been interrupted prior to that. The limitation period of a receivable confirmed with a recovery decision is interrupted as laid down in section 10 or 11 of the Act on the Limitation of Debts. A new limitation period of five years begins to run when the limitation period is interrupted. The limitation period of five years may be extended as laid down in section 11, subsection 3 of the Act on the Limitation of Debts.

If the pension provider has unduly paid to a pension recipient's account at a financial institution a pension or another benefit pertaining to the period after the month of the pension recipient's death, the pension provider has the right to receive the payment back from the financial institution without the consent of the death estate and without a recovery decision. (1250/2016)

## **Section 108**

### **Set-off of unduly paid pension**

The pension provider may also recover a pension it has paid unduly by setting it off against future pension payments. In the absence of the pension recipient's consent, however, a maximum of one sixth of the share of the pension payment which remains payable after the collection of tax to be prepaid under the Act on Prepayment of Tax (1118/1996) has been carried out on the pension payment may be deducted from the pension payment payable at any given time.

If the last pension provider recovers an amount to be recovered by means of set-off, the pension payment referred to in subsection 1 is considered to be the total amount of the pension payments payable by the last pension provider.

## **Section 108a (1030/2022)**

### **Recovery of rehabilitation allowance granted retroactively by Social Insurance Institution of Finland**

If a self-employed person is retroactively granted a rehabilitation allowance on the basis of vocational rehabilitation under section 6 of the Act on the Rehabilitation Benefits and Rehabilitation Allowance Benefits of the Social Insurance Institution of Finland for the same period for which the self-employed person has received a rehabilitation allowance or a disability pension and a related rehabilitation increment under this Act, the pension provider has the right to recover from the Social Insurance Institution of Finland the rehabilitation allowance it has paid retroactively to the extent that it is equal in amount to the rehabilitation allowance or disability pension and related rehabilitation increment paid for the same period. There is, however, no right of recovery if the rehabilitation benefit paid by the earnings-related pension provider is deducted from a rehabilitation allowance paid by the Social Insurance Institution of Finland.

## **PART III**

### **PROVISIONS ON INSURANCE, REQUESTS FOR REVIEW AND DIVISION OF COSTS**

#### **Chapter 9**

#### **Arrangement of pension provision and earnings-related pension insurance contribution**

##### **Arrangement of pension provision**

### **Section 109**

#### **Insurance**

A self-employed person is obligated to take out insurance referred to in section 1 within six months from the start of self-employed activities referred to in this Act.

The insurance shall be stipulated to cover all of the self-employed person's self-employed activities referred to in this Act.

### **Section 110**

#### **Insurance contract**

The acceptance of an insurance application concludes an insurance contract between the earnings-related pension insurance company and the self-employed person. Further provisions on the implementation of the insurance are issued in the insurance terms and conditions confirmed by the

Ministry of Social Affairs and Health or in the rules of the industry-wide pension fund confirmed by the Insurance Supervisory Authority.

## **Section 111**

### **Issuance and termination of insurance**

If a self-employed person has an insurance obligation under this Act, an earnings-related pension insurance company shall issue and maintain the insurance applied for from the company.

The insurance incept from the beginning of self-employed activities referred to in this Act. The insurance is not issued retroactively for a period longer than for the current calendar year and the three calendar years immediately preceding it. If the insurance obligation has been neglected for a period prior to that, the right to a pension under this Act is lost for that period.

The validity of the insurance ends if the self-employed person's notification or other evidence shows that the self-employed person has ended their self-employed activities referred to in this Act or if they otherwise no longer have the insurance obligation. Having received the evidence, the pension provider may decide to terminate the insurance retroactively effective on the date on which the conditions for insurance provision are no longer fulfilled.

The self-employed person may terminate the insurance in writing, with a period of notice of three months, prior to the end date of the insurance as provided in more detail in the terms and conditions of insurance or the rules of the industry-wide insurance fund. The insurance contract may not, however, end on the basis of termination with notice before at least one year has elapsed from the inception of the insurance. A termination of insurance does not release the self-employed person from the insurance obligation under this Act.

The pension provider may terminate the insurance if it is unable to collect the earnings-related pension insurance contributions from the self-employed person due to an authority having found the self-employed person to be unknown. A decision eligible for appeal is made on termination of insurance.

## **Section 112 (1157/2022)**

### **Amount and confirmation of confirmed income**

At the inception of the insurance, the pension provider confirms for the self-employed person their annual confirmed income equivalent to their labour input. The confirmed income is the wages or salary that would reasonably be paid if a person with the equivalent professional skills had to be hired to perform their self-employed activities referred to in this Act, or the remuneration that can otherwise be regarded as on average equivalent to the said labour.

The confirmed income is confirmed on the basis of an overall assessment. When confirming the confirmed income, the pension provider regards as the wages or salary and remuneration referred to above the median wages and salaries of full-time employees in the private-sector industry in question and takes into account the other information indicating the amount of the self-employed person's labour input, the scope of the self-employed activities, the self-employed person's professional skills and the value of the self-employed person's labour input.

If the insurance incepts because the insurance has been transferred to another pension provider, the confirmed income may not be confirmed at a level differing from the previous level without a special reason. If the self-employed person has multiple business activities, their confirmed income is confirmed on the basis of the labour input allocated in total to these business activities. The annual confirmed income is not confirmed to exceed EUR 125,000.

## **Section 112a (1157/2022)**

### **Changes in and adjustment of confirmed income**

The confirmed income may not be changed retroactively. The confirmed income may, however, be changed retroactively when the self-employed person is granted a disability pension. In such a case, the confirmed income confirmed for the self-employed person starting from the pension contingency is the confirmed income that is equivalent to the self-employed person's self-employed activities referred to in this Act.

The pension provider adjusts the confirmed income previously confirmed for the self-employed person every three years by providing the self-employed person with a written proposal for the new confirmed income on the basis of the information referred to in section 112, subsection 2 available to the pension provider. Having received the proposal, the self-employed person may provide the pension provider with additional information on matters affecting the financial assessment of their labour input, which is when the pension provider shall re-assess the impact of the new information provided by the self-employed person on the confirmed income. If the self-employed person does not respond to the proposal put forward for the confirmed income within two weeks from the receipt of the proposal and if no other information influencing the assessment of the confirmed income emerges in the matter, the pension provider confirms the new confirmed income from the beginning of the second month following the month in which the adjustment of the proposal put forward to the self-employed person became pending.

The pension provider may also adjust the confirmed income with a conditional decision that enters into force if the self-employed person does not respond to the proposal given concerning the confirmed income within two weeks from the date of receipt of the conditional decision. The appeal period

commences from the entry into force of the conditional decision. The conditional decision lapses if the self-employed person responds to the proposal put forward for the confirmed income within two weeks from the receipt of the conditional decision. If the income confirmed for the self-employed person would only change in conjunction with the adjustment by a maximum of 5 per cent from the previous confirmed income, the pension provider does not put forward a proposal for the new confirmed income.

The self-employed person's annual confirmed income may also be adjusted on application by the self-employed person or on the initiative of the pension provider if aspects influencing the confirmed income essentially change for some other reason.

### **Section 113**

#### **Insurance for self-employed person not meeting lower limit of insurance and for self-employed person receiving old-age pension**

A self-employed person whose confirmed income is below EUR 5,504.14 per year but who otherwise fulfils the conditions referred to in this Act has the right, on application and under the terms and conditions laid down by the Ministry of Social Affairs and Health, to receive insurance referred to in this Act.

A person receiving an old-age pension under earnings-related pension acts who otherwise fulfils the conditions referred to in this Act and who at the same time carries out self-employed activities referred to in this Act has the right, on application, to receive insurance referred to in subsection 1.

The insurance referred to in subsections 1 and 2 above is not granted retroactively.

#### **Earnings-related pension insurance contribution**

### **Section 114 (72/2016)**

#### **Earnings-related pension insurance contribution**

To finance pension provision under this Act, a self-employed person is obligated to pay the earnings-related pension insurance contributions calculated on the basis of the confirmed income.

The Ministry of Social Affairs and Health issues annually by decree the percentage rate for the earnings-related pension insurance contributions that can be assessed as equivalent to the average pension insurance contribution as a percentage of wages and salaries for insurance under the Employees Pensions Act.

The component of earnings-related pension insurance contribution collected for any costs arising from bankruptcy of the pension provider is determined in accordance with the grounds issued by the Ministry of Social Affairs and Health under section 181 of the Employees Pensions Act.

The Ministry of Social Affairs and Health confirms, on a proposal from the pension provider, the more specific calculation principles for the earnings-related pension insurance contribution.

## **Section 115 (623/2012)**

### **Newly self-employed person's reduction**

A self-employed person's earnings-related pension insurance contribution percentage rate is 78 per cent of the contribution percentage rate referred to in section 114 for the first 48 months of self-employed activities referred to in this Act. If the duration of the first self-employed activities is below 48 months, the earnings-related pension insurance contribution is, on the self-employed person's request, still calculated in accordance with the reduced percentage rate for the period remaining from the 48 months also for another period of self-employed activity referred to in this Act.

If enforced insurance is taken out for the self-employed person under section 143, they do not have the right to the newly self-employed person's reduction.

## **Section 116**

### **Additional earnings-related pension insurance contribution and reduced earnings-related pension insurance contribution**

A self-employed person may, during a calendar year, pay an additional earnings-related pension insurance contribution amounting to at least 10 per cent of the earnings-related pension insurance contribution referred to in section 114 and to at most the earnings-related pension insurance contribution referred to in the section. The additional earnings-related pension insurance contribution and the said earnings-related pension insurance contribution may not, however, together exceed the amount of earnings-related pension insurance contribution equivalent to an annual confirmed income of EUR 125,000.00.

A self-employed person may also pay a reduced earnings-related pension insurance contribution during a calendar year. In such a case, the earnings-related pension insurance contribution is at least 10 per cent and at most 20 per cent lower than the earnings-related pension insurance contribution referred to in section 114. The earnings-related pension insurance contribution may not, however, be lower than the amount of earnings-related pension insurance contribution equivalent to an annual confirmed income of EUR 5,504.14. There may be a maximum of three years during which a reduced earnings-

related pension insurance contribution is paid over a period of seven consecutive calendar years examined at any given time.

A self-employed person may pay an additional earnings-related pension insurance contribution or a reduced earnings-related pension insurance contribution once during the same calendar year.

If a self-employed person pays an additional earnings-related pension insurance contribution or a reduced earnings-related pension insurance contribution, they shall notify the pension provider of this in writing during the same calendar year to which the change in earnings-related pension insurance contribution applies.

### **Section 117 (72/2016)**

#### **Situations where self-employed person does not have the right to pay additional earnings-related pension insurance contribution or reduced earnings-related pension insurance contribution**

A self-employed person does not have the right to pay an additional earnings-related pension insurance contribution or a reduced earnings-related pension insurance contribution if:

- 1) they are receiving a pension under earnings-related pension insurance acts;
- 2) they have outstanding earnings-related pension insurance contributions payable under this Act;
- 3) their insurance referred to in this Act does not continue with the same pension provider for the entire calendar year; or
- 4) they have the right to receive the newly self-employed person's reduction referred to in section 115 during the said calendar year.

### **Section 118**

#### **Self-employed person's liability for earnings-related pension insurance contributions**

A self-employed person is personally liable for the earnings-related pension insurance contributions referred to in this Act.

A self-employed person is liable for the earnings-related pension insurance contributions of any family members working in the same enterprise as if these were their own debt. If self-employed activities under this Act are carried out as a partnership or corporation, it is liable for its shareholders' or partners' earnings-related pension insurance contributions as if these were its own debt.

The pension provider shall, on request, provide a person, partnership or corporation referred to in subsection 2 with the information affecting the liability referred to in subsection 2.

## **Section 119**

### **Time-barring of earnings-related pension insurance contribution**

An earnings-related pension insurance contribution shall be collected from a self-employed person or another party liable for payment referred to in section 118, subsection 2 no later than within the five calendar years immediately following the year of debiting. If an earnings-related pension insurance contribution is not paid within the said period, the earnings-related pension insurance contribution receivable has become time-barred.

## **Section 120**

### **Enforceability of earnings-related pension insurance contribution**

An earnings-related pension insurance contribution determined by a pension insurance provider under this Act, including any interest for late payment, is directly enforceable. Provisions on the collection of these receivables are laid down in the Act on the Enforcement of Taxes and Public Payments (706/2007). Provisions on the collection of receivables are, in addition, laid down in the Debt Collection Act (513/1999). (1270/2018)

If a self-employed person requests a review of a decision issued under this Act, the pension provider may suspend the collection of an earnings-related pension insurance contribution until the request for review has been considered if the decision of the reviewing body may influence the earnings-related pension insurance contribution. If a self-employed person is applying for a pension, the pension provider may likewise suspend the collection of an earnings-related pension insurance contribution until a decision is issued on the pension application if the decision may influence the earnings-related pension insurance contribution.

## **Section 121**

### **Time-barring of refund of unduly paid earnings-related pension insurance contribution**

A refund of an unduly paid earnings-related pension insurance contribution becomes time-barred in five years from the date of payment of the earnings-related pension insurance contribution, unless the limitation period is interrupted prior to that. The limitation period is interrupted as laid down in section 10 or section 11 of the Act on the Limitation of Debts. A new limitation period of five years begins to run when the limitation period is interrupted. The limitation period of five years may be extended as laid down in section 11, subsection 3 of the Act on the Limitation of Debts.

## **Section 122 § (1270/2018)**

### **Negligence fee**

A self-employed person who does not take out earnings-related pension insurance within six months from the start of the insurance obligation is obligated to pay a negligence fee that is at most equal to the earnings-related pension insurance contribution payable for the period of negligence. When determining the negligence fee, the length of the period of negligence, any recurrence of negligence, the level of intention behind the negligence, the earnings-related pension insurance contribution for the period of negligence and the confirmed income during the period of negligence are taken into account.

If the pension provider finds that the self-employed person neglected to arrange pension provision under this Act, it shall submit an application to the State Treasury for the imposition of a negligence fee. The State Treasury's resolves by its decision whether the self-employed person has neglected to arrange pension provision under this Act and imposes any negligence fee payable to the pension insurance company that submitted the application for the imposition of a negligence fee. The pension insurance company is responsible for collecting the negligence fee. Further provisions on the treatment by pension providers of negligence fees paid to pension providers as well as of costs related to negligence fees are issued by the Financial Supervisory Authority (FIN-FSA).

The pension provider may omit the application under subsection 2 if the negligence cannot be considered intentional and the estimated amount of the negligence fee is at most EUR 215.98 or if the party liable to arrange pension provision has demonstrated by means of their actions that the party has not sought to evade the party's insurance obligation. The State Treasury may omit the imposition of a negligence fee fully or in part if the negligence cannot be considered intentional and the imposition of the negligence fee would be unreasonable taking account of the aspects specified in subsection 1 or on some other special grounds.

The provisions laid down in this Act in section 95, subsection 3 on the service of decisions, in section 102, subsection 1 on the deduction of unsalaried earnings-related pension insurance contributions from pensions, in section 118, subsection 1 on a self-employed person's liability for earnings-related pension insurance contributions, in section 120 on the enforceability of earnings-related pension insurance contributions and suspension of collection, in section 123 on late-payment interest, in section 124 on requests for review, in section 126 on the time limit for requesting review, in section 127 on material appeal against debiting; in section 128 on the submission of an appeal document, in section 129 on an administrative review of a decision in conjunction with request for review, in section 130 on the transfer of an appeal to a reviewing body, in section 131 on appeals received after the time limit for requesting review, in section 132, subsection 2 on the enforcement of decisions and in section 136 on the annulment of a final decision also apply to a matter concerning a negligence fee.

The pension provider shall debit a negligence fee imposed by the State Treasury without delay once the decision concerning the fee has become final. The pension provider shall collect the negligence fee during the five calendar years immediately following the debit year, or the right to receive it becomes time-barred.

### **Section 123 (44/2013)**

#### **Late-payment interest on earnings-related pension insurance contributions**

If a self-employed person has neglected to pay an earnings-related pension insurance contribution, the pension provider shall have the right to charge annual interest for late payment in accordance with the interest rate referred to in section 4a, subsection 1 of the Interest Act for the period of delay in payment.

### **Chapter 10**

#### **Requests for review**

### **Section 124 (1469/2019)**

#### **Requesting for review**

For requests for review, there is the Pension Appeal Board and the Insurance Court. Provisions on the Pension Appeal Board and its members are laid down in the Act on the Pension Appeal Board (677/2005) and provisions on the Insurance Court are laid down in the Courts Act (673/2016) and in the Insurance Court Procedure Act (677/2016).

A review of a decision issued by a pension provider or by the Finnish Centre for Pensions pursuant to this Act may be requested from the Pension Appeal Board. A decision of the Pension Appeal Board in a matter of review is eligible for review by appeal to the Insurance Court. Provisions on requests for review are laid down in chapter 10 and in the Administrative Judicial Procedure Act (808/2019).

### **Section 125 (72/2016)**

#### **Request for review of summary of decisions by last pension provider**

Provisions of this chapter on a decision apply to a summary of decisions issued by a pension provider as the last pension provider. If a pension provider's decision is included in a summary of decisions issued by Keva as the last pension provider, any requests for review and appeal matters concerning it are considered as laid down in the Public Sector Pensions Act.

### **Section 126**

## **Time limit for requesting review**

The time limit for requesting review is 30 days from the date on which the party concerned was informed of the decision of the pension provider, the Finnish Centre for Pensions or the Pension Appeal Board. The party concerned is considered to have been informed of the decision on the seventh day after the posting of the decision to the address indicated by them, unless otherwise proven in conjunction with the request for review.

## **Section 127**

### **Material appeal against debiting**

A party concerned may file a material appeal against debiting if they consider that the debiting of a payment imposed by a pension provider or the Finnish Centre for Pensions under this Act has been in violation of law or contract. A material appeal shall be filed in writing and shall be submitted to the Pension Appeal Board no later than within two years from the beginning of the year following the year during which the receivable was determined or debited.

If a material appeal is filed against distraint, the provisions of the Act on the Enforcement of Taxes and Public Payments on a material appeal also apply. (1166/2007)

## **Section 128**

### **Submission of appeal document**

The party concerned shall submit the appeal document to the pension provider that issued the decision within the time limit for requesting review. If review is requested for a decision issued by the Finnish Centre for Pensions, the appeal document shall be submitted to the Finnish Centre for Pensions. The appeal document concerning a decision of the Pension Appeal Board shall be submitted to the pension provider or to the Finnish Centre for Pensions.

## **Section 129**

### **Administrative review of decision in conjunction with request for review**

The pension provider that issued the decision appealed against or the Finnish Centre for Pensions examines whether it itself can conduct the administrative review of its decision. If the pension provider or the Finnish Centre for Pensions approves the requests made in the appeal submitted to it in their entirety, it shall issue a decision on the request for an administrative review in the matter. A decision on the request for an administrative review is eligible for a review as laid down in this chapter.

The pension provider that issued a summary of decisions as the last pension provider shall request a statement from Keva before considering the matter to the extent that the decision concerns pension provision implemented by Keva. No statement is, however, requested if the appeal solely concerns assessment of ability to work. (72/2016)

If all those pension providers whose decisions the appeal concerns approve the requests of the appellant, the last pension provider issues a new, revised summary of decisions. The last pension provider also issues a new, revised summary of decisions when an appeal against a summary of decisions solely concerns assessment of ability to work and a private-sector pension provider as the last pension provider approves the requests made in the appeal submitted to it. A summary of decisions revised in this manner is eligible for appeal as laid down in this chapter.

If the pension provider, the last pension provider or the Finnish Centre for Pensions only reviews its previous decision in part, it shall issue a temporary decision on the matter. A temporary decision is ineligible for review.

## **Section 130**

### **Transfer of appeal to reviewing body**

If the pension provider or the Finnish Centre for Pensions does not approve the appellant's requests in their entirety, it shall submit the appeal document and its statement concerning the appeal to the Pension Appeal Board within 30 days from the expiry of the appeal period. If the appeal concerns a decision of the Pension Appeal Board, the pension provider or the Finnish Centre for Pensions shall submit the appeal document and its statement to the Insurance Court within the said period.

If the pension provider or the Finnish Centre for Pensions approves the requests made in the appeal in part or in full after the submission of the appeal document to the reviewing body, the pension provider or the Finnish Centre for Pensions may issue a temporary decision on the matter. The reviewing body shall be notified without delay of any temporary decision. A temporary decision is ineligible for review.

The pension provider or the Finnish Centre for Pensions may derogate from the time limit specified in subsection 1 if so required to obtain additional evidence necessary for the consideration of the appeal. In such a case, the appellant shall be notified without delay of the obtaining of additional evidence. The appeal document and the statement shall, however, be submitted to the reviewing body concerned no later than within 60 days of the expiry of the appeal period.

If the pension provider that issued a summary of decisions as the last pension provider has requested a statement referred to in section 129, subsection 2 from Keva and it does not review its decision in the manner requested by the appellant, the pension provider shall submit the appeal document and the

statements provided on it to the reviewing body referred to in subsection 1 of this section within 60 days of the expiry of the appeal period. (72/2016)

### **Section 131**

#### **Appeal received after time limit for requesting review**

If an appeal filed with the Pension Appeal Board or the Insurance Court has been received by the pension provider concerned or the Finnish Centre for Pensions or the Pension Appeal Board or the Insurance Court after a time limit referred to in section 126 or 127, the appeal may regardless of this be admitted for consideration if there have been serious grounds for not meeting the time limit.

### **Section 132**

#### **Enforcement of decisions**

Regardless of any request for a review, a decision of the pension provider and the Finnish Centre for Pensions shall be complied with until a final decision has been made on the matter.

A final decision of the pension provider, the Finnish Centre for Pensions and the Pension Appeal Board may be enforced like a final judgment given in a civil matter.

### **Section 133**

#### **Correcting typographical or arithmetical error**

The pension provider and the Finnish Centre for Pensions shall correct an obvious typographical or arithmetical error or other clear error comparable to these in its decision. However, an error shall not be corrected if the outcome of the correction would be unreasonable to a party concerned.

### **Section 134**

#### **Correcting material error**

The pension provider or the Finnish Centre for Pensions may annul its erroneous decision and make a new decision on the matter if the decision of the pension provider or the Finnish Centre for Pensions is clearly based on erroneous or insufficient evidence, the decision is based on manifestly incorrect application of the law, or a procedural error has occurred in the decision-making.

The pension provider or the Finnish Centre for Pensions may not amend or annul its decision to the detriment of a party concerned, unless the party has consented to that.

### **Section 135 (1250/2016)**

## **Review of final decision on the basis of new evidence**

If new evidence in a matter emerges after a decision issued by the pension provider or the Finnish Centre for Pensions has become final, the matter shall be re-examined. In such a case, the pension provider may grant a rejected pension or adjust a pension already granted to a higher amount. The Finnish Centre for Pensions may correspondingly make a decision to the benefit of a party concerned in a matter laid down to be decided by it. The same applies to the Pension Appeal Board and the Insurance Court when they are considering a matter of review. Such decisions are eligible for review as laid down in sections 124–126.

## **Section 136**

### **Annulment of final decision**

If a final decision issued by the pension provider under this Act is based on erroneous or insufficient evidence or manifestly violates the law, the Pension Appeal Board may, where requested by a party concerned or by the pension provider, annul the decision and order the matter to be reconsidered. The same applies to a final decision issued under this Act by the Finnish Centre for Pensions on the basis of a request by a party concerned or by the Finnish Centre for Pensions. The Pension Appeal Board shall provide the parties concerned with an opportunity to be heard before a decision is made on the matter. A decision of the Pension Appeal Board is ineligible for review by appeal. (679/2011)

If a final decision issued by the Pension Appeal Board or the Insurance Court under this Act is based on erroneous or insufficient evidence or manifestly violates the law, the Insurance Court may, where requested by a party concerned or by the pension provider, annul the decision and order the matter to be reconsidered. The Insurance Court shall provide the parties concerned with an opportunity to be heard before a decision is made on the matter.

If the pension provider makes a request concerning the annulment of a decision, it may suspend the payment of the pension or pay it in accordance with its request until a new decision has been made on the matter.

The annulment of a decision shall be requested within five years from the date on which the decision became final. Where there are very serious grounds, a decision may be annulled also upon request made after the time limit.

Service of a hearing referred to in subsection 1 and 2 above is effected as laid down in section 59 of the Administrative Procedure Act (434/2003). (679/2011)

## **Section 136a (1469/2019)**

## **Issue of new decision on matter due to primary benefit or another pension granted retroactively**

If a pension recipient has, after the issue of a decision, been retroactively granted a primary benefit or a pension referred to in section 87 or a pension referred to in section 84a, subsections 1 and 2, the pension provider may issue a new decision on the matter without annulling the decision or without the consent of the party concerned.

### **Chapter 11**

## **Terms and conditions and calculation principles of pension insurance and division of costs between pension providers**

### **Section 137**

#### **Terms and conditions and calculation principles of pension insurance**

The provisions of the Employees Pensions Act laid down in the following sections of the said Act apply to the terms and conditions and calculation principles of pension insurance under this Act:

- 1) the provisions of section 165 on terms and conditions of pension insurance and on the rules of industry-wide pension funds;
- 2) the provisions of section 166, subsection 1 on the calculation principles for contributions and technical provisions;
- 3) the provisions of section 167 on the uniformity of terms and conditions and calculation principles; and
- 4) the provisions of section 172 on cooperation between the pension providers when preparing the insurance terms and conditions and calculation principles.

### **Section 138**

#### **Provision for unearned premiums**

The funds required to cover the costs referred to in section 139, subsection 1 shall be recognised as the provision for unearned premiums in accordance with the calculation principles confirmed by the Ministry of Social Affairs and Health. The following are added to the provision for unearned premiums:

- 1) the part of the earnings-related pension insurance contributions referred to in this Act not required for reasonable expense-loading components calculated in accordance with the calculation principles or for provisions covering the pension component accrued from unsalaried periods; and

2) interest received in accordance with the calculation principles.

The pension provider's share of the costs under section 139, subsection 1 are deducted from the provision.

## **Section 139**

### **Pension providers' mutual liability for pensions and rehabilitation costs**

The pension providers referred to in section 1, subsection 3 above are liable for the costs arising from the pensions, rehabilitation allowances and other benefits under this Act on a pro rata basis in respect of their provisions for unearned premiums under section 138. Pension components accrued from unsalaried periods are not included in these costs. The total amount of rehabilitation allowance paid by a pension provider is considered as a rehabilitation allowance cost. (72/2016)

The determination of the provision for unearned premiums does not take into account unsalaried earnings-related pension insurance contributions that:

- 1) have been referred to collection by means of enforcement;
- 2) have been lodged as a claim in bankruptcy;
- 3) are included in a restructuring programme referred to in the Restructuring of Enterprises Act (47/1993);
- 4) are included in a payment schedule referred to in the Act on the Adjustment of the Debts of a Private Individual (57/1993); or
- 5) are included in a voluntary adjustment of debts that in terms of its contents corresponds to the principles laid down in the Acts referred to in subsections 3 and 4.

The pension providers referred to in section 1, subsection 3 are liable for the pension component accrued from unsalaried periods as laid down in section 178 of the Employees Pensions Act.

## **Section 140**

### **State's contribution to costs**

If the pension providers' provision for unearned premiums defined in section 138 is not sufficient to cover the costs of pensions and benefits referred to in section 139, subsection 1, the State contributes the part not covered.

The State shall contribute each year, as an advance payment of the State share, an amount equalling the amount estimated to be the payment made as the State share.

Further provisions on the payment of the State share and the advance payment are issued by government decree.

The Finnish Centre for Pensions distributes to the pension providers the share paid by the State to finance pensions and other benefits in accordance with the criteria for the division of costs referred to in section 183, subsection 2 of the Employees Pensions Act. (1431/2011)

## **Section 141**

### **Pension provider's liability for costs of Finnish Centre for Pensions and when pension provider becomes bankrupt**

The pension providers referred to in section 1, subsection 3 are liable for the costs of the Finnish Centre for Pensions as laid down in section 180 of the Employees Pensions Act.

If an outstanding payment according to the division of liability under this Act is defaulted due to the bankruptcy of a pension provider, the pension providers referred to in section 1, subsection 3 are jointly liable for it in accordance with section 181 of the Employees Pensions Act. If the deficit, however, is minor, it is primarily covered from the funds of the pension provider in question.

## **Section 142**

### **Clearing of costs and decision on division of costs**

The Finnish Centre for Pensions carries out the clearing of the costs referred to in sections 139 and 141 in compliance with section 183 of the Employees Pensions Act. The clearing of costs does not, however, take into account the share of the Employment Fund of the earnings-related pension costs referred to in section 182 of the said Act. (1469/2019)

The Finnish Centre for Pensions issues a decision on the division of costs as laid down in section 184 of the Employees Pensions Act.

## **Chapter 12**

### **Supervision of insurance provision**

## **Section 143**

### **General supervision of insurance provision and enforced insurance**

The Finnish Centre for Pensions supervises that self-employed persons fulfil their insurance obligation under this Act.

If a self-employed person has neglected to take out insurance under this Act, the Finnish Centre for Pensions shall require the self-employed person to remedy their negligence. If a self-employed person fails to remedy their negligence within the time limit set by the Finnish Centre for Pensions, the Finnish Centre for Pensions takes out pension insurance at the expense of the self-employed person with a pension provider of its choice (*enforced insurance*) but not, however, for a period earlier than the current calendar year and the three calendar years preceding it.

When enforced insurance has been taken out for a self-employed person, the pension provider confirms the confirmed income for the self-employed person on the basis of the evidence obtained, or in the absence of evidence, on the basis of an estimate, and collects the earnings-related pension insurance contribution. The pension provider confirms the confirmed income for the self-employed person from the start of the self-employed activities referred to in this Act but not, however, for the period prior to the enforced insurance.

When the Finnish Centre for Pensions has taken out the insurance referred to in subsection 2 with the pension provider, the self-employed person is obligated to pay the negligence fee as laid down in section 122. (1270/2018)

## **Section 144**

### **Pension provider's supervision obligation**

The pension provider supervises the fulfilment of the notification and insurance obligations under this Act by the self-employed persons who have arranged pension provision with the said pension provider.

The Finnish Centre for Pensions and the pension provider may agree on the more specific implementation of the supervision referred to in subsection 1 and in section 143, subsection 1.

## **Section 145**

### **Right of inspection of Finnish Centre for Pensions and pension provider**

The Finnish Centre for Pensions and the pension provider have the right to inspect the self-employed person's facilities and the right to take other supervision measures in order to establish whether the self-employed person has fulfilled their obligations under this Act. The self-employed person shall, during the course of the inspection, present their accounting records and, irrespective of the format of presentation or storage, all other material which may affect the insurance obligation under this Act.

For the purpose of carrying out the inspection, the Finnish Centre for Pensions and the pension provider have the right to receive executive assistance from the police and other authorities.

An inspection in a self-employed person's dwelling may only be carried out where there are reasonable grounds to suspect that the self-employed person has neglected their insurance obligation referred to in this Act and the inspection is necessary to examine the matter. An inspection in a self-employed person's dwelling may only be carried out by the police or a tax authority.

## **PART IV**

### **MISCELLANEOUS PROVISIONS**

#### **Chapter 13**

##### **Provision of, access to and non-disclosure of information**

#### **Section 146**

##### **Applicable provisions**

The Act on the Openness of Government Activities (621/1999; *Openness Act*) applies to the openness of the documents and activities of the pension provider and the Finnish Centre for Pensions to the extent that the pension providers and the Finnish Centre for Pensions exercise public authority referred to in section 4, subsection 2 of the Openness Act, unless otherwise provided in this or any other act. –

Also, in instances not involving the exercise of public authority referred to in section 4 subsection 2 of the Openness Act, the pension provider and the Finnish Centre for Pensions shall apply the provisions of the Openness Act in matters relating to the implementation of this Act with respect to:

- 1) document secrecy;
- 2) obligation to remain silent;
- 3) obligation not to benefit from non-disclosable information;
- 4) sections 22–24 on non-disclosable documents; and
- 5) section 35 containing penal provisions.

(1149/2020)

The provisions of chapter 30, sections 1, 3 and 4 of the Insurance Companies Act (521/2008) and of chapter 16, section 4 and chapter 17, sections 4 and 5 of the Act on Company and Industry-Wide

Pension Funds on the obligation to remain silent and on disclosure of information do not apply to the implementation of this Act. (952/2021)

In addition to the provisions of this chapter, the provisions of the following sections of the Employees Pensions Act apply to the implementation of this Act:

- 1) section 195a on the pension provider's right to provide information for making a decision on a pension matter;
- 2) section 197 on information on earnings forming the basis of pensionable benefits for unsalaried periods;
- 3) section 198 on the right to gain access to information for making a decision on a matter or the implementation of statutory duties;
- 4) section 200 on the right of the pension provider to gain access to information for supervision;
- 5) section 202 on the gratuitousness of the information;
- 6) section 203 on granting access to information within an insurance company group;
- 7) section 205 on granting access to information in order to investigate offences or irregularities;
- 8) section 208 on further disclosure of information;
- 9) section 209 on the responsibility of the party further disclosing information. (1090/2023)

*Paragraph 10 was repealed by Act 1090/2023.*

(260/2020)

The provisions of chapter 7 of the Openness Act on derogations from non-disclosure and on expiration of the non-disclosure obligation apply to the application of subsection 2. (1149/2020)

## **Section 147**

### **Information on self-employed person's financial status**

Besides the provisions of section 24, subsection 1, paragraph 20 of the Openness Act on the non-disclosure of information concerning a self-employed person, also the documents and information based on the implementation of this Act concerning the financial status of a self-employed person are non-disclosable.

Notwithstanding non-disclosure provisions and other restrictions on access to information, the pension provider and the Finnish Centre for Pensions have the right to provide access to information on a self-employed person's default on receivables arising from insurance under this Act to other pension providers which carry out duties under private-sector earnings-related pension acts and to the Finnish Centre for Pensions for the supervision and implementation of insurance under this Act.

### **Section 148 (260/2020)**

*Section 148 was repealed by Act 260/2020.*

### **Section 149**

#### **Self-employed person's obligation to provide information**

A self-employed person is obligated to provide the pension provider without delay with the information on the start of their self-employed activities under this Act as well as on any material changes in the nature, scope or form of their self-employed activities or their labour input. The self-employed person is likewise obligated to notify the pension provider without delay of the end of self-employed activities referred to in this Act.

Regardless of the notification obligation referred to in subsection 1, the pension provider may require from a self-employed person evidence for matters referred to in subsection 1 and for other equivalent matters that may affect the insurance obligation, earnings-related pension insurance contribution, administration of insurance and confirmed income.

### **Section 150**

#### **Evidence from pension recipient for facts relating to amount of pension and pension right**

Regardless of the pension recipient's notification obligation, the pension provider may request from a pension recipient evidence for facts affecting the amount of pension and the pension right where there are grounds to suspect that changes have taken place in these facts.

### **Section 151 (1270/2018)**

#### **Right of Finnish Centre for Pensions and pension provider to access information for supervision**

Notwithstanding non-disclosure provisions and other restrictions of access to information, the Finnish Centre for Pensions has the right to access from a self-employed person, from an insurance or pension

provider implementing statutory insurance, from the Tax Administration or another authority as well as from another party to which the Openness Act applies the information necessary to fulfil the supervision obligation referred to in section 143, subsection 1 of this Act and in section 2, subsection 2, paragraph 1 of the Act on the Finnish Centre for Pensions.

To fulfil the supervision obligation, the Finnish Centre for Pensions has, in addition, the right to receive from the Tax Administration in the form of mass data:

- 1) the name and contact information of business partnerships and the necessary information on the business activity and its income as well as on wages and salaries paid;
- 2) the name and contact information, personal identity codes and the necessary information on work and position in the enterprise, portion of earned and capital income, monetary wages or salary, fringe benefits and private withdrawals and portion of the partnership's income and assets of a business partnership's joint owners as well as the necessary information on their monetary wages or salary and fringe benefits from sources other than the business partnership;
- 3) the name and contact information, personal identity codes and the necessary information on portion of earned and capital income, portion of earned and capital income divided between spouses, monetary wages or salary, fringe benefits and net sales of business persons and self-employed persons;
- 4) the names, personal identity codes and information on shareholding of shareholders of a limited liability company as well as the limited liability company's name, business identity code and information on the industry, wages and salaries paid and shares held by the company.

(1090/2023)

The Finnish Centre for Pensions has the right to access the information referred to in subsection 2 even if it has not, in its data request, identified the enterprises or self-employed persons to be subject to supervision through the processing of mass data even if the supervisory process is not yet pending. For the implementation of the supervisory duty, the Finnish Centre for Pensions has the right to combine and process the personal data referred to in subsections 1 and 2. Combined data may be stored for five years, but in any event no longer than until the end of the supervisory process. Combined data may not be disclosed further for purposes other than those referred to in this Act.

Notwithstanding non-disclosure provisions and other restrictions of access to information, the Finnish Centre for Pensions has the right to access from the Tax Administration the information necessary to fulfil the supervision obligation referred to in section 144.

*Subsection 5 was repealed by Act 1090/2023.*

## **Section 152**

### **Right of pension provider and Finnish Centre for Pensions to disclose information (1250/2016)**

Besides the provisions of the Openness Act, the pension provider and the Finnish Centre for Pensions have the right, notwithstanding non-disclosure provisions and other restrictions of access to information, disclose information based on the implementation of this Act as follows:

- 1) to a relevant authority or institution the information necessary for the implementation of duties under the EU Social Security Regulation or a social security agreement; (355/2010)
  - 2) to the Tax Administration the information necessary for the fulfilment of the supervision obligation laid down for it in the Act on Prepayment of Tax where there are grounds to suspect that a self-employed person has not fulfilled their prepayment obligation;
  - 3) to a controller engaged in credit reference services such information on a self-employed person's enforceable earnings-related pension insurance contribution receivables based on this Act that the controller of the credit information register has the right under the law to record in the credit information register; (1420/2016)
  - 4) to a party liable to compensate under the Rail Traffic Liability Act the information necessary to identify the contents of the right of recourse referred to in section 88, subsections 2 and 3. (1469/2019)
- (527/2009)

Besides other legal provisions elsewhere on the pension provider's obligation to provide information, the pension provider shall provide the information:

- 1) to the Social Insurance Institution of Finland for the calculation of the benefits referred to in the Health Insurance Act; and
- 2) to the Tax Administration for the determination of the health insurance contribution referred to in the Health Insurance Act.

Non-disclosable information accessed pursuant to subsection 1, paragraphs 1 and 2 above may be further disclosed for the purpose of investigation of offences and prosecution. The information shall be destroyed as soon as it is no longer needed. (1469/2019)

## **Section 152a (260/2020)**

### **Restriction of data subject's right**

A data subject referred to in the General Data Protection Regulation does not have the right under Article 18(1)a of the General Data Protection Regulation to obtain from the pension provider restriction of processing of personal data when it attends to a duty under this Act if the data subject's request for the restriction of processing is manifestly unfounded.

## **Chapter 14**

### **Miscellaneous provisions**

#### **Section 153**

##### **Advice for self-employed persons**

The primary responsibility for providing advice in matters within the scope of application of this Act rests with the pension provider with which the self-employed person has arranged their pension provision.

#### **Section 154**

##### **Cooperation between pension providers**

The pension providers shall cooperate in compiling statistical data and in other matters related to the implementation and development of the earnings-related pension acts.

#### **Section 155**

##### **Charge for special services**

The pension provider may charge a self-employed person for special services provided by it at the request of the self-employed person.

#### **Section 156**

##### **Decision on amount of theoretical pension**

If a self-employed person has worked in two or more EU or EEA countries and they are applying for the national pension, they have the right, on request, to receive a decision on the amount of the theoretical pension which the pension provider reports to the Social Insurance Institution of Finland for the calculation of their national pension.

#### **Section 157**

##### **Transfer of pension right to European Communities**

A self-employed person has the right to transfer their pension right referred to in this Act to the European Communities as laid down in the Act on the Transfer of Pension Rights between the Finnish Earnings-Related Pension Scheme and the Pension Scheme of the European Communities (165/1999).

The provisions of the Act on the Transfer of Pension Rights between the Finnish Earnings-Related Pension Scheme and the Pension Scheme of the European Communities apply to a pension right transferred to or returned from the European Communities to the extent that the said Act has provisions derogating from the provisions of this Act.

## **Section 158**

### **Executive assistance**

The pension provider and the Finnish Centre for Pensions have the right to have witnesses interrogated at a district court on their own initiative or on the request of a party concerned in order to examine a matter being considered.

## **Section 159**

### **Disqualification**

Notwithstanding the provisions of section 28, subsection 1, paragraphs 4 and 5 of the Administrative Procedure Act (434/2003), an employee or a board member of the pension provider or the Finnish Centre for Pensions may consider a matter included in the implementation of this Act concerning a self-employed person who has arranged their pension provision with the pension provider.

## **Section 160**

### **Storage of documents**

The pension provider and the Finnish Centre for Pensions shall store the documents related to the arrangement of pension provision and to pension matters under this Act or a pension matter as laid down in the Archives Act (831/1994) and in section 218 of the Employees Pensions Act.

## **Section 161**

### **Calculation of periods of time**

When calculating periods of time, a calendar month is regarded as having 30 days when:

- 1) assessing whether this Act applies to a self-employed person;
- 2) determining an earnings-related pension insurance contribution under this Act;

3) calculating a pension under this Act; and

4) paying a rehabilitation allowance.

Further provisions on the calculation of the time periods referred to in subsection 1 are issued by government decree.

## **Section 162**

### **Entry into force**

Separate provisions on the entry into force of this Act are issued by an act.