Hello and welcome to this eLearning session.
Objectives

At the end of this lesson, you will be able to:

- Discuss the highlights of SAP country version Finland

After completing this lesson, you will be able to:

- Discuss the highlights of SAP country version Finland
This presentation will introduce you to SAP country version Finland and give an overview of SAP ERP Financials, including accounting, value-added tax and tax reporting, bank transactions, export and import, and assets. This session will also discuss some highlights of SAP ERP Human Capital Management, including payroll and reporting.
Financials for Finland has low complexity and a low frequency of changes.

HCM for Finland
High complexity and high frequency of changes

- Financials for Finland has low complexity and a low frequency of changes.
- Finland is part of the European Union, and most laws and regulations decided within the European Union are implemented in Finland as well. The areas with the most changes and complexity are tax issues and value-added tax.
- Human Capital Management and Payroll, in particular, have high complexity and a high frequency of changes. Government reporting is challenging, complex, and constantly changing, with low predictability and short deadlines.
FI for Finland
The extended general ledger is available for Finland so that you can utilize the full functionality of SAP, including reports for transaction overview that have been localized to accommodate the extended general ledger.

The country version is delivered with a Finnish standard for the chart of accounts, but this chart is fully customizable to your needs.

The VAT number in Finland is 10 digits, with no gaps, and starts with FI.
Bank Transactions

Reference number

- The basis of domestic payments in Finland is the use of reference numbers.
- A reference number is any number the vendor chooses to print on the invoice, followed by a check digit calculated from the actual number. The payment reference is checked, using a country-specific checking algorithm, each time it is entered.

Payment formats

- Since November 1, 2011, SEPA Credit Transfer for Finland is used (see SAP Notes 1519835 and 1526969).
- Electronic Bank Statement (TITO) will be in SEPA format as of Q1 2012.
- Current local direct debiting will continue until the beginning of 2014 according to the Federation of Finnish Financial Services. After that, SEPA Direct Debiting or a local version will be used. For more information, see http://www.fkl.fi/en/themes/sepa/Pages/default.aspx.

- The payment reference is checked using a country-specific checking algorithm each time it is entered. This checking routine is standard for Finland.
- If country-specific settings are made properly, no configuration step is necessary to turn on this check.
- Finland has a modern bank system. Finland was the first country to have SEPA Credit Transfer. For more information about SEPA localization for Finland, see SAP Notes 1519835 and 1526969.
Export/Import

Intrastat

- Intrastat is a monthly declaration that provides EU authorities with statistics on foreign trade within the EU. It is possible to send EU Sales lists (quarterly VAT summary reports for intra-community supply of goods or services) in electronic format to tax authorities in Finland (Report RFASLD20 - EU Sales List).

It is possible to send EU Sales lists (quarterly VAT summary reports for intra-community supply of goods or services) in electronic format to tax authorities in Finland. You can use Report RFASLD20 - EU Sales List in Data Medium Exchange Format to create this file in a format that is accepted by the Finnish tax authority.
Finnish tax laws on depreciation (EVL) state the maximum allowable depreciation rates for different types of assets. Depending on the type of asset, different types of calculation for depreciation are allowed.

Customizing for EVL is included in country-specific configuration (see SAP Note 108499).
HCM for Finland
Payroll
General

Payroll engine
- A Finnish payroll schema has been localized.
- Retroactive accounting is possible.

Employee tax
- Updated tax calculation and reporting delivered by SAP every year
- Functionality for electronic exchange of tax information to tax authority
- Complex area of localization

Pension and social insurance contribution
- Pension insurance
- Unemployment insurance
- Accident insurance

The payroll engine
- As for most countries, a specific Finnish payroll schema has been localized.
- Retroactive accounting is possible in Finnish payroll.

Employee tax
- An updated tax calculation is delivered every year. SAP ERP includes functionality for electronic exchange of tax information to the Finnish tax authority. However, employee taxation is a very complex area of localization.

Pension and social insurance contribution
- Both employer and employee pay pension and social insurance contributions. The calculations of these contributions are localized. There are several constants related to the contribution calculation, and these constants change almost every year. SAP delivers these constants in an SAP Note every year.
Vacation
- The localization of vacation handling includes the accrual and deduction of vacation days and vacation payments.

Sickness
- Governmental institute (KELA) pays compensation to employees when sick. In many cases, the employer pays the employee and is reimbursed from KELA.
Reporting

Reporting areas
• There is localized governmental reporting for tax, reimbursement of sick pay, pension, statistics, trade union, overtime, and so on.
• Reporting is complex and needs to be compliant with multiple laws and regulations.

Reporting types
• Reporting is done on paper, electronically, or through the governmental portal (Ilmoitin), depending on the report.

Reporting frequency
• Reports are monthly, bi-monthly, half-year, or annual, depending on the report.
You should now be able to:

- Discuss the highlights of SAP country version Finland
Related Information

For more information on the topics discussed in this lesson, see the following references:

- Important SAP Notes for Finland: [service.sap.com/GKB](http://service.sap.com/GKB)
- Literature (Implementation of Country Versions for SAP ERP Systems):
Thank You!

Contact information

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