

## **Unofficial translation**

Ministry of Finance, Finland

# **Act on Criteria for Charges Payable to the State**

(150/1992; amendments up to 607/2007 included)

By decision of Parliament, the following is enacted:

## **Chapter 1 – General provisions**

### *Section 1 – Scope of application*

- (1) This Act contains provisions on the general criteria for charging for performances by State authorities and for the size of the charges made for said performances, and for other criteria related to charges.
- (2) This Act applies to the President of the Republic as regards decision-making in the Government. (348/1994)
- (3) This Act also applies to the Office of the President of the Republic of Finland, the Parliamentary Office, the Office of the Parliamentary Ombudsman of Finland, and to the National Audit Office and the Finnish Institute of International Affairs, both of which operate in connection with the Parliament. (607/2007)
- (4) This Act does not apply to State public enterprises or State funds, unless otherwise provided in the case of funds. Likewise, the Act does not apply to State agencies and bodies whose chargeable operations are required by law before this Act comes into effect to be arranged on commercial criteria. (348/1994)

### *Section 2 – Act's relationship with other provisions*

- (1) If provisions diverging from this Act are issued elsewhere by law or under authorization in the law, said provisions shall be observed rather than this Act.
- (2) Under a decree issued by virtue of this Act, the provisions of the Act on the Waiver of Certain Insignificant Claims (266/1950) can be diverged from.

### *Section 3 – Definitions*

In this Act:

- 1) 'performance by a State authority' means official acts, goods and services produced by the State, and other operations; and
- 2) 'performance under public law' means a performance by a State authority which is called for by an act or decree and on the production of which the authority has a de facto monopoly.

## **Chapter 2 – General criteria for chargeable performances and for the size of charges**

### *Section 4 – Chargeable performances*

- (1) A charge shall be made for the following performances unless there is justifiable cause for their being free of charge:
  - 1) goods produced by a State authority;

- 2) services produced to order or otherwise commissioned;
  - 3) decisions made upon application;
  - 4) temporary transfer of rights of use (usufruct) and other rights; and
  - 5) other operations when the production of a performance is consequent upon action by the recipient. (961/1998)
- (2) Specifically, a charge shall be made for a performance when the performance, or a comparable performance, is also produced and charged for by other than a State authority, or when production of the performance relates to the economic activities of the recipient.

*Section 5 – Performances free of charge*

The following performances shall be free of charge unless there is special cause to make them chargeable:

- 1) performances that cannot be considered to have been produced for a single person, enterprise or otherwise clearly restricted group;
- 2) performances aiming at providing a benefit to secure livelihood; and
- 3) advice, instructions, guidance and information provided by an authority if they generate only insignificant costs.

*Section 6 – Charges made for performances under public law*

- (1) The size of the charge made by the State for a performance under public law shall correspond to the total costs incurred by the State from producing the performance (cost price).
- (2) A charge of the same size can be made for similar performances by one or more authorities even when the costs of producing the performance differ. When the size of such a fixed charge is set, the average total cost of the performances must be taken into account.
- (3) The charge set can as a general rule be lower than the cost price of the performance or can be waived completely if there is justifiable cause for reasons related to health care and medical care, other social purposes, administration of justice, environmental protection, education or general cultural activities, or other comparable reasons. If special cause exists, a charge lower than the performance's cost price can be charged on a particular group or waived completely. If special cause exists, the charge set can be higher than what would otherwise correspond to the performance's cost price.
- (4) When a charge is made for a performance, the same charge shall also be collected from State authorities unless there is special cause for some other procedure.
- (5) It is the business of the authority producing the performance to see to it that producing the performance does not generate more costs than the appropriate quality of the performance requires.

*Section 7 – Prices of other performances*

- (1) The prices of official performances other than those referred to in section 6 shall be decided on commercial criteria. An appropriation can be included in the State budget for use in reducing the prices of performances priced on commercial criteria.
- (2) If an authority has a de facto monopoly on the production of a performance as referred to in paragraph 1, the price charged for the performance can also be set so as to correspond to the performance's cost price. (961/1998)
- (3) If an authority produces performances in a dominant market standing, the pricing of the performances shall take into account the provisions on abuse of dominant market standing in the Act on Restrictive Practices (480/1992). (961/1998)

## Chapter 3 – Competence in deciding on charges

### Section 8 – *Matters provided for by decree and competence of ministries* (348/1994)

- (1) Provisions on whether decisions of the President of the Republic and the Government in plenary session are chargeable, and on which decisions are charged for at cost price and which are priced on commercial criteria will be laid down by decree. The same applies to the fixed charges referred to in section 6(2), and, when a charge for a decision is made contrary to the cost price criterion, on the choice of such decision, on the criterion as referred to in section 6(3) or (4,) and on the procedure to be followed. In other matters related to these charges, the ministry concerned shall be competent. In this Act, ‘ministry’ also means the Prime Minister’s Office.
- (2) The ministry concerned shall decide which performances or performance categories of the ministry or other authorities in its administrative sector shall be charged for and which performances or performance categories shall be charged for at cost price, and which are priced on commercial criteria.
- (3) In the cases referred to in subsection 2, the ministry shall also decide on the fixed charges referred to in section 6(2), and, when a charge for a performance or performance category is made contrary to the cost price criterion, which performances or performance categories this shall apply to, the criterion as referred to in section 6(3) or (4), and the procedure to be followed.
- (4) When some matter otherwise within a ministry’s authority is placed before a plenary session of the Government for decision, whether the decision shall be subject to charge and the size of the charge made shall be decided as if the matter concerned a ministry decision, contrary to subsection 1.

### Section 9 – *Competence of authorities*

In cases other than those referred to in section 8, the competence in matters concerning charges and the pricing of performances shall rest with the relevant authority.

### Section 10 – *Special agencies and bodies* (607/2007)

The Parliamentary Office, the Office of the President of the Republic of Finland, the Office of the Parliamentary Ombudsman of Finland, the National Audit Office and the Finnish Institute of International Affairs, both of which operate in connection with the Parliament, the Office of the Chancellor of Justice, the Bank of Finland and the Social Insurance Institution of Finland shall all prescribe their own charges.

## Chapter 4 – Miscellaneous provisions

### Section 11 – *Collection of charges*

- (1) The charge for a performance under public law as referred to in section 6 can be collected as laid down in the Act on the Collection of Taxes and Charges in Execution Proceedings (367/61).
- (2) When collecting claims for other performances referred to in section 7, the provisions concerning collection of claims under private law shall be observed.

Section 11 a – *Setting the charge* (961/1998)

- (1) All receipts or other documentation concerning the setting of a charge shall state the provisions on which the charge is based. If, in the case of a performance under public law, the setting of the charge is based on a separate calculation, the said calculation shall be appended.
- (2) Any error demonstrated in how a charge is set can be corrected applying, as appropriate, what is provided in the Administrative Procedures Act (598/1982) concerning the correction of an error of fact or a clerical error.
- (3) When a charge is made concerning a performance under public law, the authority setting the charge shall provide instructions for the rectification procedure referred to in section 11b.

Section 11 b – *Appeal against a charge* (961/1998)

- (1) A party required to pay a charge that considers that an error has been made in setting the charge for a performance under public law as referred to in section 6 can ask the authority that set the charge for rectification within six months of the charge being made. A decision on a request for rectification can be appealed to the provincial court within whose jurisdiction the authority that set the charge is located. The appeal period is 30 days from the date on which the appellant is informed of the decision on a request for rectification. A provincial court decision cannot be appealed.
- (2) Disputes concerning charges for other performances referred to in section 7 of the Act shall be processed as disputes in a district court.

Section 12 – *More detailed provisions*

More detailed provisions on the costs to be included in a cost price, on the penalty interest to be charged on a delayed payment, on any penalty charge made in its place, on the payment period and the interest rate charged on the payment period, on advances, on security, on waiver of collection and on other matters concerning collection, and on other implementation of the Act can be issued by decree, taking account of what is provided in section 10.

Section 12 a – *General authorization* (961/1998)

In order to ensure uniform application of the Act on Criteria for Charges Payable to the State, the Ministry of Finance can issue instructions on general criteria to be followed in making performances subject to charge and in pricing, and on other procedures related to the general administration of the said Act.

Chapter 5 – **Transitional provisions and entry into force**

Section 13 – *Entry into force*

- (1) This Act enters into force on 1 March 1992.
- (2) It repeals:
  - 1) the Act on Criteria for Charges Payable to the State of 29 December 1973 (980/1973); and
  - 2) the Act on Criteria for Charges Payable on Documents and Official Acts by Certain Authorities of 17 October 1942 (806/1942) and later amendments to it.

- (3) Measures necessary for the implementation of this Act may be undertaken before the Act's entry into force.

#### Section 14 – *Transitional provisions*

- (1) Decrees issued under acts hereby repealed will remain in force until 31 December 1993, unless separately repealed earlier.
- (2) If other legislation makes reference to acts repealed by this Act, the reference shall be considered to refer to this Act.

Government proposal 176/1991, Finance Committee Report 1/1992

#### **Entry into force and application of amendments:**

##### 348/1994

- (1) This Act enters into force on 1 June 1994.
- (2) Government proposal 28/1994, Finance Committee report 11/1994

##### 749/1996

- (1) This Act enters into force on 1 January 1997.
- (2) Government proposal 97/1996, Administration Committee report 12/1996, Parliamentary reply 115/1996

##### 961/1998

- (1) This Act enters into force on 1 March 1999.
- (2) The provisions for appeals against a charge as stipulated in section 11 b shall be applied to charges prescribed on the day the Act enters into force or after the Act's entry into force.
- (3) Measures necessary for the implementation of this Act may be undertaken before the Act's entry into force.
- (4) Government proposal 203/1998, Finance Committee report 41/1998, Parliamentary reply 151/1998.

##### 721/2000

- (1) This Act enters into force on 1 January 2001.
- (2) Government proposal 68/2000, Constitutional Law Committee report 10/2000, Parliamentary reply 98/2000

##### 546/2006

- (1) This Act enters into force on 1 January 2007.
- (2) Measures necessary for the implementation of this Act may be undertaken before the Act's entry into force.
- (3) Government bill 28/2006, Foreign Affairs Committee report 5/2006, Parliamentary question 15/2006

##### 607/2007

- (1) This Act enters into force on 1 July 2007.
- (2) Government proposal 71/2006, Speaker's Council proposal 2/2006, Constitutional Law Committee report 10/2006, Parliamentary reply 202/2006, Proposal to postpone consid-

eration of a bill 2/2007, Constitutional Law Committee report 1/2007, Parliamentary question 9/2007