

# How to apply for earnings-related unemployment allowance

These instructions provide important information on how to apply for earnings-related unemployment allowance in 2023. Please read the instructions carefully to ensure that your application process goes as smoothly as possible.

## **When can I apply for earnings-related unemployment allowance?**

You can apply for earnings-related unemployment allowance from the Entrepreneur Fund when you have met the employment condition and you are unemployed according to the TE Office's statement. The employment condition is met when you have been a member of the Fund for at least 15 months and the annual work

income of your pension insurance is at a sufficient level (€14,088 in 2023).

If you have not yet been a member of the Fund for 15 months and have worked as an employee immediately before becoming self-employed, you may be entitled to earnings-related unemployment allowance paid based on paid labour. This requires that you have been a member of an employee unemployment fund and the employment condition you fulfilled through paid labour is still valid.

The TE Office may consider you unemployed when your business activities are completely discontinued, you are no longer an entrepreneur or your employment as an entrepreneur has ended.

### **Please note that**

- As a rule, you do not accrue days towards the employment condition from days when you are paid a sickness allowance, pregnancy allowance or parental allowance.
- If you have unpaid YEL or MYEL pension insurance payments, you will not accrue the employment condition for unpaid months.

## **When can I submit my first application?**

You can apply for earnings-related unemployment allowance at the earliest two weeks after you have registered with the TE Office. Always apply for the allowance retroactively.

However, we recommend that you apply for earnings-related unemployment allowance preferably four weeks after you have registered with the TE Office. This way, the Fund is more likely to have received the statement needed to process your application. It

takes at least about a month for the statement to be submitted after you have registered with the TE Office.

We receive the most applications at the turn of the month, during which time the processing of applications is slightly slower than usual. We recommend submitting your application to the Fund at another time than the first week of the month.

### What do I need to submit to the Fund?

- Your application for earnings-related unemployment allowance, preferably for a period of four weeks. Fill in the application in our eService on the **Tee hakemus** (Submit an application) tab.
- A certificate from your pension insurance company on the annual work income of your YEL, MYEL or TyEL insurance for both the current and the previous three years, or for the period of validity of your insurance if less than three years.
- Sales profit report. The statement is a report on the financial standing of your business. The statement form is enclosed with the message.
- The balance sheet or inventory (assets and liabilities) of the last full financial year, if you are not required to keep double-entry records.

In addition, we recommend that you submit a revised tax card to the Fund for the payment of the allowance. You can apply for a revised tax card in the Tax Administration's [MyTax](#) service. Without a

revised tax card, the withholding tax rate on the allowance is at least 25 %.

### Fill in the application in eService

Fill in the application for earnings-related unemployment allowance online in our eService from the **Tee hakemus** (Submit an application) tab. Log in to the service with your online banking username and password, mobile certificate or certificate card at [www.yrittajakassa.fi/en/home](http://www.yrittajakassa.fi/en/home) You can submit attachments to the application in the Attachments tab of the eService by clicking **Lähetä** (Send).

You will receive a message in the eService if we need additional information or attachments from you. You will also receive an alert about a new message to your phone or email. Messages are displayed on the **Viestit** (Messages) tab of the eService, from which you can both send and reply to messages.

If you cannot access our online service, you can submit the application and attachments by mail to the address Yrittäjäkassa, Museokatu 8, PL 86, Helsinki 00251.

### How much is my daily unemployment allowance?

Earnings-related unemployment allowance consists of the following components:

- **Basic component**, which is equal to the basic unemployment allowance. In 2023, the amount is 37.21 euros per day.
- **Earnings-related component**, which is 45% of the difference between your daily wages and the basic component.

- **A child increase** of 7.01 euros for one child, 10.29 euros for two and 13.26 euros for three or more children under the age of 18 per day.

The amount of the earnings-related component is determined based on your insurance level or levels in the Entrepreneur Fund in the past 15 months. The insurance level selected for the Fund can be no more than the annual work income of your YEL or MYEL pension insurance or your annual TyEL earnings.

If your insurance level has varied, we will calculate the average level weighted by month. This means that the insurance level that has been in force for the longest time has a larger effect on the amount of the allowance.

### See an estimate of your daily unemployment allowance

You can see an estimate of your daily allowance in the calculator on our website by selecting the **For members** tab subheading [Calculators](#).

You can also see examples of how earnings-related unemployment allowance is calculated in different situations on our website on the **Did you become unemployed?** page under **Determination and payment of daily allowance**.

Please note that

- If you have mistakenly selected a higher insurance level to the Fund than the annual work income of your pension insurance,

the earnings-related component is determined based on the annual work income of the pension insurance. The annual work income used as the basis for the daily allowance may not be higher than the annual work income of your pension insurance.

- If you have increased your insurance level to the Fund by more than 20% less than 15 months before becoming unemployed, we cannot use the increase exceeding 20% as a basis for earnings-related unemployment allowance.
- Payment of the daily allowance begins after the waiting period. The waiting period corresponds to five working days. Be sure to fill in the dates that fall within the waiting period in your application.

### Duration of earnings-related unemployment allowance

Earnings-related daily allowance is paid for five working days a week, normally for a maximum of 400 days. If you have a work history of less than 3 years, the maximum duration of the daily allowance is 300 days. If you have met the employment condition after reaching the age of 58 and have worked for at least five years in the previous 20 years, earnings-related unemployment allowance can be paid for a maximum of 500 days.

### Sales profit report

You must include sales profit report in your initial application for earnings-related daily allowance, and each applicant must fill in the report at least partially in accordance with the instructions on the form.

At the end of your self-employment, the financial situation of the business is always determined by means of a sales profit report, even if the company or its assets have not been sold. Possible sales profit does not prevent the payment of the daily allowance but may postpone the start of the payment of the allowance for up to 24 months.

If your company's balance sheet total for the last full financial year does not exceed 20,000 euros, you do not need to fill in the report form beyond step 5.

If the company's balance sheet total for the last full financial year, excluding liabilities, is more than 20,000 euros, fill in all steps in the form. In this case, we will investigate whether you have received a sales profit following the closure of the business.

If you have received a sales profit, the amount is periodised starting from the end of the business activity and a daily allowance is not paid for this period. If there is a sales profit to be periodised, you will receive a written decision on this. The decision specifies the length of the periodisation and the date when you can re-apply for the allowance.

### **How long can the start of the payment of my daily allowance be postponed?**

Roughly speaking, the length of the periodisation of sales profit can be estimated by comparing the insurance level used as the basis of your allowance and the amount of sales profit to be periodised.

For example, if your insurance level is 20,000 euros and the periodised sales profit is also 20,000 euros, the length of the periodisation is one year (12 months).

### **Please note that**

- If you have any difficulties with the form, fill it to the best of your ability submit it to the Fund along with the balance sheet of the last full financial year. We recommend that you include your accountant's information on the form so that we can contact them for more information. Inquiring additional details from your accountant often speeds up the processing of the application.

### **Are you working while unemployed?**

While unemployed, you can accept short-term or part-time jobs, in which case your earnings-related allowance is adjusted based on income you earn. Please notify the TE Office if you are starting paid work or a business or become self-employed while unemployed. If necessary, the TE Office will inform the unemployment fund of the matter.

We obtain data on your earnings from the Incomes Register. If you start paid work, include a copy of the employment contract in your application to the Fund. If you have not signed a written employment contract, the employer must give a statement of the principal terms and conditions of the employment relationship.

If you work as a light entrepreneur through an invoicing cooperative, we cannot receive your earnings data from the Incomes Register. In this case, submit a payslip to the Fund.

If you are starting a new business or have a business that the TE Office has determined to be part-time, submit a monthly income statement for your business to the Fund. If you do not have an income statement, submit a monthly statement of your company's income and expenses. If your company is a limited liability company, submit monthly salary information to the Fund.

### How to report that you are working in the application

- If you are in paid work, write in '**at work**' for the days which you have worked in the daily report of the application and include the hours and minutes worked.
- For business activities, do not fill in hours worked in the daily report of the application. Instead, specify that you have been self-employed in the **Lisätietoja** (Additional information) field of the application.

### How your income affects the daily allowance

- While unemployed, you can earn the so-called protected income of 300 euros per month or 279 euros over four weeks without any reduction in earnings-related security.
- If your income exceeds 300 euros per month or 279 euros over four weeks, the earnings-related allowance is adjusted by deducting half of earnings exceeding the protected amount from the allowance.
- If you paid an adjusted earnings-related unemployment allowance, the combined amount of the daily allowance and earnings cannot exceed the income level on which the earnings-related allowance is based.

### Effect of social security benefits on daily allowance

If you apply for or start receiving a social security benefit, this may affect the amount of your earnings-related allowance or your entitlement to the daily allowance.

#### Most common social security benefits that do not affect your earnings-related allowance:

- Partial early old-age pension
- Voluntary pension insurance taken out by you or your company. Submit a pension decision to the Fund.
- Housing allowance

#### Most common social security benefits that are deducted from your earnings-related allowance:

- Child home care allowance (basic and extra allowance)
- Partial disability pension
- Partial rehabilitation allowance

#### Most common social security benefits that prevent the payment of earnings-related allowance:

- Sickness allowance or partial sickness allowance
- Disability pension or other benefit granted in the event of total work disability
- Rehabilitation subsidy and rehabilitation allowance

A detailed list of social security benefits and their effects on the daily allowance can be found on our website under **Effect of social benefits on daily allowance**.

## **Remember to notify us of changes of your situation**

You are obligated to notify the Entrepreneur Fund of any changes in your situation that may affect the amount of your earnings-related unemployment allowance or your right to receive the allowance.

Please indicate in the daily allowance application if, for example, you have started paid work or a business, you have been paid wages for an employment relationship during the application period, or you have earned income or other financial benefits from business activities or self-employment.

Be sure to also report if you have applied for social benefits or a pension even if the benefit or pension has not yet been granted.

**If you fail to notify us of changes**, we may recover the allowance paid and invoke administrative and criminal sanctions.

## **Have you been a member of the Fund for less than 15 months when becoming unemployed?**

If you have transferred to the Entrepreneur Fund from an employee unemployment fund, have been an entrepreneur for less than 18 months before unemployment and have been a member of the Entrepreneur Fund for less than 15 months, you may be entitled to a daily allowance paid on the basis of income from your paid work prior to becoming an entrepreneur.

## **What to do if you have not received a daily allowance from your employee unemployment fund**

When you apply for earnings-related unemployment allowance on the basis of paid work prior to becoming an entrepreneur, submit your employment contract and notice of termination of employment to the Entrepreneur Fund in addition to the attachments listed above in these instructions.

In this case, your unemployment allowance is calculated on the basis of your established wage income over the 26 weeks immediately before you became an entrepreneur. You can see an estimate of your daily allowance on our website in the **For members** tab subheading [Calculators](#) and selecting **Calculate your post protection allowance**.

## **What to do if you have received a daily allowance from your employee unemployment fund**

If you have been paid an unemployment allowance from your employee fund before becoming an entrepreneur, we will pay the same amount of daily allowance that you received before. In this case, we will pay the daily allowance up to the maximum amount for the remaining days.

When the employee fund has paid you a daily allowance immediately before you became an entrepreneur, you do not need to submit your employment contract or notice of termination to the Fund.

## **How quickly will my application be processed?**

We always process daily allowance applications as quickly as possible in the order in which they arrive. The processing time varies depending on the season and time of month. We always receive more applications at the start of the month, which can mean a slower processing time.

Applications have a processing time guarantee. We will issue a decision on your earnings-related allowance no later than on the 30th day after your application has arrived at the Fund. If your application is incomplete, we will issue a decision to you no later than the 14th day after we have gained access to the information necessary to resolve your case.

The Entrepreneur Fund pays out earnings-related daily allowances on every workday. Daily allowances are paid to your account one or two banking days after processing the application. Bank holidays may cause changes to payment days.

### **After my application has been processed**

After we have processed your initial application, we will provide you with a written appealable decision on your earnings-related allowance and a payment notification listing the details of the payment.

### **Submitting the next application**

After receiving a decision on your initial application, you can submit follow-up applications to the Fund retroactively for periods of at least four calendar weeks (Monday to Sunday) or one month at a time. Submit a follow-up application in our eService on the **Tee hakemus** (Submit an application) tab.

### **Do you need more information?**

Please contact us if you have any questions. **We are happy to help you.**

- **The fastest way to reach us is by online message in the [eService](#).** Log in to eService on our website [www.yrittajakassa.fi/en/home](http://www.yrittajakassa.fi/en/home) and submit your questions on the **Viestit** (Messages) tab.
- Call **09 622 4830**. Our telephone service is open Monday–Thursday 9.00–12.00 and on Tuesdays also 13.00–15.00.
- Read more about earnings-related unemployment allowance on our website [www.yrittajakassa.fi/en/home](http://www.yrittajakassa.fi/en/home) under **Did you become unemployed?**