



Kela[®]

Pensions and retirement

BRIEFLY AND IN PLAIN LANGUAGE | 2023



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Pensions and retirement

There are a number of different types of pension for different situations.

You can get a pension when you reach old-age retirement age. Before reaching retirement age, you can get a pension on the basis of disability or unemployment.

You can also get a survivors' pension if a family member dies.

Pensions are paid by authorised pension providers and by Kela.

This brochure tells you about the pensions available from Kela.

It also discusses other benefits for pensioners. At the end of the brochure, you will find information on how to apply for pensions and other benefits.

The brochure describes the situation in 2023.



More information on the internet and by phone

Visit Kela's website for more information about Kela benefits:

www.kela.fi/english

More information about pensions is available at

www.kela.fi/pension



If you have questions, please call our customer service number

020 634 2650

What kind of pension can I get?

Pensions are paid by authorised pension providers and by Kela. The authorised pension providers pay earnings-related pensions that are based on earned income such as salaries.





If your earnings-related pension is small, you can also get a pension from Kela.

There are three situations in which the authorised pension providers and Kela can pay you a pension.

You can get a pension when you reach old-age retirement age. Before reaching retirement age, you can get a pension on the basis of disability or unemployment.

You can also get a survivors' pension if a family member dies.

See below for an overview of what pensions are available in different situations.

| |  Reduced ability to work |  Reaching old-age retirement age |  Death of a family member |
|------------------------------|---|---|--|
| Authorised pension providers | Vocational rehabilitation | Old-age pension | Survivors' pension for surviving spouse and children |
| | Rehabilitation subsidy, disability pension and partial disability pension | Partial old-age pension | |
| | Years-of-service pension | Years-of-service pension | |
| Kela ^{fi} | Sickness allowance | Early old-age pension | Survivors' pension for surviving spouse and children |
| | Different types of rehabilitation and the rehabilitation allowance | | |
| | Rehabilitation subsidy paid for a specified period or disability pension | Old-age pension | |
| | Guarantee pension | Guarantee pension | |
| |  Returning to work? | | |

Along with pensions, you can get the following benefits from Kela:

- child increase
- housing allowance for pensioners.
- care allowance for pensioners
- front-veteran's supplement and additional front-veteran's supplement
- social assistance (income support).

Earnings-related pension

Most pensions are earnings-related pensions. You earn your pension with your own paid work.

Earnings-related pensions are handled by authorised pension providers. There are several of these.

You and your employer pay pension contributions over the years.

The amount of your pension depends on how long you have been working and how much you have earned.

A private business owner pays pension contributions to the pension company of his/her choice.

Farmers pay pension contributions to their own social insurance institution, Mela.

Information about earnings-related pensions is available from

- the pension provider
- the Finnish Centre for Pensions (Eläketurvakeskus)
- online at www.tyoelake.fi/en

National pension

If you do not receive an earnings-related pension or it is small, Kela will pay a national pension.

You can get a full national pension only if your earnings-related pensions are 62 euros per month or less.

If you get more earnings-related pension money than this, the national pension is smaller or you do not get it at all.

The full amount of the national pension is about 773 euros per month.

If you have a spouse or partner, the corresponding amount is about 654 euros per month

The national pension may be smaller if you retired on an old-age pension before reaching age 65.

The national pension may also be smaller if you have lived abroad.

Moving abroad may affect your national pension as well.

For more information on how living abroad affects the national pension, call Kela at **020 634 0200**.

The national pension is reduced by

- your earnings-related pension
- other pensions and compensations that you may receive.

The national pension is not reduced by

- your spouse's income
- pension accrued during child care
- pension accrued during periods of study
- one-off increases in disability pensions.

The pensions provided by Kela and the earnings-related pensions are subject to tax.

Income limits for the national pension

You can receive a national pension if your other pensions and compensations fall below the following income limits:

- if you have a spouse or partner, about 1,355 euros per month
- if you live alone, about 1,512 euros per month.

The income limits refer to gross income before taxes are taken out.

The income limits may be lower if you have lived abroad.

In some situations, they can also be higher.

Kela does not make a decision about a national pension or guarantee pension before it is clear how much the other pensions due to you will be.

Guarantee pension

Kela will pay you a guarantee pension if your other pensions are really small or if you do not have any other pension.

The guarantee pension is only available to pensioners who are living in Finland.

It can be paid when a pensioner has lived in Finland for at least three years.

The full amount of the guarantee pension is about 922 euros per month.

If you do not receive any other pension payments, you can get the full guarantee pension.

However, the guarantee pension is smaller if you have applied for an early old-age pension before reaching the normal retirement age.

In that case, you may not receive any guarantee pension at all.

The guarantee pension is also reduced by any other pensions you get.

They are deducted in full from the maximum guarantee pension amount.

The guarantee pension is not reduced by the care allowance, the housing allowance, earnings from work, your own property, or your spouse's or partner's property, as well as some other types of income.

If you get a disability pension, however, your earnings may affect the guarantee pension.

Family circumstances do not affect the guarantee pension.

For more information on how living abroad affects the guarantee pension call

020 634 0200.

Old-age pension

The old-age pension can be an earnings-related pension, a national pension or both.

Any old-age pension you receive as a national pension will start at the age of 65.

If you have lived or worked abroad, the amount of the old-age pension may be small.

However, you may have a right to a pension from another country.

Example

Kalle and Kaisa are married.
They are both retired.

Kalle receives an earnings-related pension of 1,400 euros per month.
He does not qualify for a national pension or a guarantee pension.

Kaisa has spent many years looking after their children at home.
She receives an earnings-related pension of 500 euros per month and a national pension of about 435 euros per month.

In total, Kaisa receives about 935 euros per month in pensions.

She does not qualify for a guarantee pension, because her income is higher than the income limits for the guarantee pension.

Early retirement

If you have the right to a national pension, you can decide whether or not you will take it before you are 65 years old.

This is known as an early old-age pension.

If you were born before 1962, the earliest you can get an early old-age pension is age 64.

The early old-age pension is permanently smaller than a national pension starting at age 65.

The pension is reduced by 0.4 percent for each month it is brought forward.

Before deciding to retire, you should find out how large your early old-age pension would be.

Example

Maija retires on an earning-related pension at age 64. She receives an earnings-related pension of 700 euros per month.

Additionally, Maija applies early for a national pension, bringing forward the start of her pension by one year.

Because the national pension starts early, it is 4.8 percent (about 20 euros per month) smaller than it would be if Maija had chosen to take it at age 65.

Maija lives alone.

In addition to her earnings-related pension, she receives a national pension of about 394 euros per month.

Postponing retirement

You do not have to apply for a pension when you reach the age of 65.

You can postpone the start of your pension, and by doing so, increase your pension.

Your pension is increased by 0.6 percent for each month you postpone it.

Unemployment and the pension

If you are unemployed and nearing retirement age, you can get extended unemployment allowance payments.

You will continue to be paid unemployment allowance until you apply for an old-age pension.

If you were born before 1962, you may have the right to apply for old-age pension at age 64, in which case your pension will not be reduced.

Otherwise you will continue to receive unemployment allowance until you are 65.

Disability pension

If you are ill for a long time, you normally get sickness allowance first.

When you have received sickness allowance for 150 working days, Kela sends a letter to your home that tells about rehabilitation and pension.

You may be invited to visit Kela to discuss the possibility of improving your ability to work.

You can normally get a disability pension only after you have received sickness allowance for about a year.

A disability pension can be both an earnings-related pension and a national pension.

You need only submit one application and one doctor's statement to apply for both.

Who can get a disability pension from Kela?

You can get a disability pension if you are 16–64 years old and you have an illness or physical problem that stops you from working.

If you are 60 or older and have had a long career, you can get a pension if you are unable to continue doing your job.

Persons who are permanently blind or physically disabled always get a disability pension, even if they work.

In that case, the person's other incomes that affect the national pension must not exceed the income limit for the national pension.

When you are 65 years old, Kela changes your disability pension to an old-age pension.

This will usually not change the amount of the pension.

Rehabilitation allowance for young persons

If you become disabled before you are 15, you can get a disability pension at age 16.

Normally, disability pension is not granted to those under the age of 20.

Instead, young persons can be granted vocational rehabilitation and rehabilitation allowance.

The objective of vocational rehabilitation is to help you get into working life.

A personal study and rehabilitation plan is made for you.

This is made together with your guardian and specialists.

Instead of a pension, you get a rehabilitation allowance for young persons, which is at least 36.91 euros per day.

Along with this, you can get a disability allowance.

Rehabilitation subsidy

You can get disability pension payments on a fixed-term basis. This is known as a rehabilitation subsidy. It is paid during the period of care or rehabilitation.

The requirement is that a rehabilitation or treatment plan has been prepared for you.

The amount of the rehabilitation subsidy is the same as that of the disability pension, and it is paid on the same criteria.

Working when you are on a disability pension

Even if you are on a disability pension, you can also do some work.

If you work, report it to Kela and your authorised pension provider.

Kela will continue to pay you a pension if your earnings do not exceed about 922 euros per month.

If you work regularly and earn over 922 euros per month, you can put your pension on hold for a maximum of two years.

In that case you will not be paid a pension. However, you will not have to re-apply for a pension if you stop working within two years.

If you received care allowance for pensioners while you were on disability pension, Kela can pay you disability allowance at the highest rate on top of your salary.

This requires you to put all of your pensions on hold. The disability allowance at the highest rate is about 465 euros per month. It is not taxed.

Tell Kela if you stop working. Kela will start paying your pension again.



Other benefits for pensioners

Kela pays pensioners the following benefits:

- child increase
- housing allowance for pensioners
- care allowance for pensioners
- front-veteran's supplement and additional front-veteran's supplement
- social assistance (income support).

No tax is withheld from these benefits.

Child increase

If you are on a pension and you have a child who is under 16, you can apply for a child increase from Kela.

You can get a child increase for your own children and those of your spouse.

The child increase is about 24 euros per month for each child.

You can also receive child increase if your child lives elsewhere.

However, you must contribute at least 187 euros per month (the amount of the child maintenance allowance) to the child's maintenance.

You can get a child increase even if you do not get a national pension.

Other pensions may also entitle to a child increase.

Housing allowance for pensioners

You can get housing allowance for pensioners from Kela if you are not entitled to general housing allowance.

One requirement is that you have only a small income and receive a pension that gives you eligibility for the housing allowance for pensioners.

Kela can pay housing allowance for pensioners directly to the landlord.

You do not have the right to a pensioner's housing allowance, however, if you only get for example one of the following:

- partial disability pension
- part-time pension
- partial early old-age pension

You can claim housing allowance for pensioners

- if you live alone
- if you live with your spouse/partner
- if everyone living in your home is being paid a pension that qualifies them for a housing allowance for pensioners.

Spouses who are both retired must claim housing allowance together.

The allowance is divided half-and-half between them.

In other cases, check your entitlement to general housing allowance.

Call **020 634 2550** if you want to ask Kela about the general housing allowance.

Call **020 634 2650** if you have questions about the housing allowance for pensioners.

Care allowance for pensioners

If your physical capacity has gone down because of illness or a disability, you can get a care allowance from Kela.

Costs caused by illness or disability are compensated through the care allowance.

You can get a care allowance if your ability to look after yourself has been impaired for a period of at least one year.

That means that you need help or care in your daily functions.

You cannot get a care allowance if you receive any of the following pensions:

- partial disability pension
- part-time pension
- partial early old-age pension

Instead, you can apply to Kela for disability allowance.

Care allowances are paid in various amounts depending on how difficult the illness or disability is and the costs incurred:

- The care allowance at the basic rate is about 79 euros per month.
- The increased care allowance is about 171 euros per month.
- The highest care allowance is about 363 euros per month.

If you are paid the care allowance for pensioners at the increased or highest rate, as well as an additional front-veterans' supplement, you can also get a disability supplement for war veterans.

It is about 119 euros per month.

Income or property does not affect getting the care allowance.

The care allowance is granted either for the present time (no time limit set) or with a time limit.





Front-veteran's supplement and additional front-veteran's supplement

Kela pays a front-veteran's supplement to men or women who have one of the following marks:

- front-soldier badge
- front-line service badge
- front-line badge

These marks (badges) can no longer be applied for.

Front-veteran's supplement can also be received by persons who took part in mine clearance from 1945 to 1952.

The front-veteran's supplement is about 138 euros per month. Income or property does not affect getting a front-veteran's supplement.

Kela also pays additional front-veteran's supplements to those who get front-veteran's supplements and national pensions.

The largest additional front-veteran's supplement is about 284 euros per month.

Survivors' pension

The death of a near relative brings changes to a family's finances. The survivors' pension provides economic security to widow(er)s and children if a spouse or parent dies.

Survivors' pensions are available as spouses' pensions and orphan's pensions.

Survivors' pensions from Kela are available for

- widows/widowers under 65 years of age
- children under 18 years of age whose parent or guardian has died.

Children who are studying can get a survivors' pension until they are 21 years old.

Survivors' pensions may also be available from the deceased person's authorised pension provider.

You can get information from the authorised pension provider concerned or from the Finnish Centre for Pensions. Farmers and business owners have their own pension insurance schemes.

If the deceased relative has lived or worked abroad the family can also get a pension from abroad.

If the deceased relative was in gainful employment, his/her spouse and child can also receive a lump-sum compensation payment from group life insurance.

You can get more information from the deceased relative's workplace.

If death was caused by a traffic accident or other type of accident, the spouse and child can also get survivors' pensions from car or accident insurance.

The insurance company provides further information about this.

Other survivors' pensions and compensations may affect the pensions and housing allowances paid by Kela.

Survivors' pensions are taxable.



Spouse's pension

Kela pays spouse's pension only to surviving spouses under the age of 65.

If you were married

You can get spouse's pension if you had a child with the deceased and got married before your spouse was 65.

If you haven't got any children together, you can get a spouse's pension only if all the following criteria are met:

- You were at least 50 years old when your spouse/partner died.
- You were under 50 and your spouse under 65 when you got married.
- Your marriage lasted at least 5 years.

If you were unmarried and living together

You are entitled to spouse's pension, if you meet all of the following requirements:

- Your partner died on or after 1 January 2022.
- You had a child under 18 who lived with you in your household.
- You began living together with your partner before he or she was 65.
- You lived together continuously for at least five years before your partner died.
- You were not married to anyone else at the time your partner died.



How much is the spouse's pension?

A starting pension and a possible continuing pension are part of a spouse's pension.

If your income is small, you can also apply for a housing allowance.

After the death of a spouse, Kela pays about 362 euros per month as a starting pension.

This starting pension is paid for 6 months.

After the period of starting pension, you can get a surviving spouse's continuing pension. It is made up of a basic amount and an additional amount.

The basic amount is about 113 euros per month. You get this only if you have a dependent child who is under 18 years old. The child must be yours or your spouse's.

Almost all your income affects your ability to get the additional amount. The full additional amount is about 589 euros per month. If you get married again, the full additional amount is about 509 euros per month.

If your spouse lived abroad, the pension may be paid at a reduced rate.

How long is spouse's pension paid?

Spouse's pension cannot be paid past your 65th birthday.

There are no other limits on the length of payment, but you must have been married and you must meet at least one of the following conditions:

- Your spouse died before 1 January 2022.
- You were born before 1975.

If you were married but do not meet either condition, Kela will pay you a spouse's pension for ten years or until a child living with you reaches age 18.

If you were living together, Kela will pay you a spouse's pension until your youngest child with the deceased reaches age 18.

If you get married again before you are 50 years old, Kela stops payment of your spouse's pension.

However, you will get a lump sum equal to 3 years of pension payments.

The amount is smaller if your right to a spouse's pension ends sooner.

This requires that you have been paid spouse's pension for at least a year.



Orphan's pension

If a child's parent dies, Kela pays orphan's pension to the child.

Parent means a person who has lived with the child and cared for the child.

The parent can be the mother, the father or someone else.

Kela pays orphan's pension until the child is 18 years old.

If the child is studying, the pension can continue until the age of 21.

The basic amount is about 67 euros per month.

If both parents are dead, the child gets about 133 euros per month.

Children under 18 can also get an additional amount, which depends on any other survivors' pensions they may get.

The maximum amount of the additional amount is about 101 euros per month.

In addition, the authorised pension provider of the dead parent pays an orphan's pension.

Application and payment

Apply for pensions and other benefits online at www.kela.fi/e-services

See the application form for a list of the documents you need to send with the application.
The supporting documents can also be sent online.

You can also apply for pensions and other benefits by filling in an application form that you can get from any Kela office or from Kela's website:
www.kela.fi/forms

Kela's address is
Kela
PL 10
00056 KELA

Applications to Kela for child increase, spouse's pension or orphan's pension must be made on a paper form.
You can mail the form to Kela or take a picture of it and send it in OmaKela.

Pension applications may also be submitted to Kela or to any pension provider.

To apply for an old-age pension or guarantee pension from Kela, you can also just call or visit a Kela office.

Apply for an old-age pension some months before you intend to retire.

Kela pensions can be granted retroactively for up to 6 months only.

As soon as Kela has processed your application, a decision will be sent to your home address.
The amount of the pension or allowance, the criteria based on which it is granted, and the payment date are shown in the decision.
You get a decision even if it is negative.

Apply for a pension also for work you have done abroad

Living and working in another country can affect national pensions and survivors' pensions.

If you have lived or worked in some other country besides Finland, you may also be eligible for a pension from the country of employment.

A spouse can get a survivors' pension from the country where his/her dead husband/wife used to work.

Certain pensions from other countries can be applied for by using the same form as for Finnish pensions.

Also remember to complete and submit the form titled Appendix U - Residence and employment abroad.

It must accompany your pension application if you have lived, worked or studied abroad.

You can ask for an estimate of the pension amount beforehand

If you want to find out beforehand what your rights to a national pension are, you can ask for an estimate of your earnings-related pension from your own pension provider.

You can also get an estimate online:

www.tyoelake.fi/en

The service directs you to the services of your pension provider.

Then, ask Kela for a national pension estimate and also find out whether you are entitled to a guarantee pension.

Payment dates

Kela deposits payments of old-age pension, disability pension, care allowance for pensioners and front-veterans' supplement to the recipient's account on the 7th day of the month.

Guarantee pension is paid on the 22nd of each month.

Housing allowance for pensioners is deposited to the recipient's account on the 4th of the month.

Child increases and survivors' pensions are paid into your bank account according to the first letter of your surname as shown below:

- A–K 4th of the month
- L–R 14th of the month
- S–Ö 20th of the month

If banks are closed when a pension or other benefit is scheduled to be paid to you, the money will be deposited to your account earlier.

Examples of retirement income in 2023

The table shows examples of a single pensioner's income and taxes in Helsinki.

In all examples, the rent for the residence is 700 euros per month.

The pensioner has no other income than a national pension or an earnings-related pension.

The sums of money are rounded off and are not exact.

| Earnings-related pension EUR/month | National pension EUR/month | Guarantee pension EUR/month | Tax EUR/month | Housing allowance EUR/month | Net income EUR/month* |
|---------------------------------------|-------------------------------|--------------------------------|------------------|--------------------------------|--------------------------|
| 0 | 0 | 922 | 0 | 523 | 1446 |
| 0 | 733 | 190 | 0 | 523 | 1446 |
| 100 | 714 | 109 | 0 | 523 | 1446 |
| 200 | 664 | 59 | 0 | 523 | 1446 |
| 400 | 564 | 0 | 0 | 509 | 1473 |
| 600 | 464 | 0 | 0 | 474 | 1538 |
| 800 | 364 | 0 | -31 | 439 | 1571 |
| 1000 | 264 | 0 | -69 | 404 | 1599 |
| 1200 | 164 | 0 | -106 | 369 | 1626 |
| 1512 | 7 | 0 | -164 | 314 | 1669 |

*Net income means a pensioner's disposable income after deduction for taxes. Rent and other costs of living are paid with this income.

Report changes

If your situation changes, this may affect the benefits you get from Kela.

The change can for instance concern housing, income, work or family circumstances.

Remember to report such changes to Kela. You can report the changes online, by phone or by visiting any Kela office.

It is up to you to make sure that Kela has the correct information. That way you will be paid the right amount of benefit.

If you get a decision that contains an error

If you think that the decision you got from Kela is wrong, you can appeal to have it changed.

Instructions on how to appeal are provided with each benefit decision.

If you have questions, please contact Kela first before taking any other steps.



In Kela's e-service you can

- apply for Kela benefits
- submit additional documents
- get information about the status of your application
- send messages
- report changes
- stop the payment of benefits.

Kela at your service

On the internet

Visit Kela's website for more information:
www.kela.fi/english

You can use calculators to calculate the amounts of the benefits:
www.kela.fi/calculators

Kela's e-service:
www.kela.fi/e-services
(in Finnish or Swedish)

Log in to the e-services

You must log in to OmaKela and the online appointment booking system. You need online banking codes or a mobile certificate.

Help with using the e-services

If you have difficulties using the e-services, you can get help:
www.kela.fi/digital-support

You can give another person permission to handle your benefit matters with Kela on your behalf:
www.kela.fi/on-behalf-of-someone

If you do not speak Finnish, Swedish or English, you can get interpreter assistance:
www.kela.fi/interpretation

By phone

Monday to Friday from 9 am to 3 pm.

Families, students, unemployed and housing
020 634 2550

Health and pensions
020 634 2650

International situations
020 634 0200

Overpayment Recovery Centre
020 634 4940

The cost of phone calls and waiting time on the phone is charged according to the price list of your phone operator.

Read more at:
www.kela.fi/call-kela

Book a telephone appointment

Book a telephone appointment by phone or online:
www.kela.fi/book-appointment

Visit a customer service point

Check the addresses and opening hours of Kela customer service points:
www.kela.fi/service-point-locator

Services in the Sámi languages:
www.kela.fi/saame

Information about Kela in English

Kela's website in English:

www.kela.fi/english

Kela brochures in English:

■ **Pensions and retirement**

Families with children

Moving to or from Finland

Students and conscripts

Health and rehabilitation

Social assistance

Unemployment

General housing allowance

The brochures are available at Kela offices.

Brochures in other languages:

www.kela.fi/other-languages