

General housing allowance

BRIEFLY AND IN PLAIN LANGUAGE



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Assistance with housing costs

If you have a small income, you can be granted general housing allowance from Kela. The purpose of the general housing allowance is to help you with your housing costs.

In this brochure, you will find information on when you can get general housing allowance. The brochure also tells you how much housing allowance you can get.

At the end of the brochure, you will find information on how to apply for general housing allowance.

The brochure describes the situation in 2021.

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 general housing allowance is available on Kela's website at

www.kela.fi/housing



If you have any questions, please call our customer service number

020 634 2550

Who can get general housing allowance?

General housing allowance can be paid to one person or to a household of many persons.

A household means those living permanently in the same flat or house.

Usually a household is made up of a married or unmarried couple or a family.

One person can also be a household.

You may be able to get general housing allowance, if you live

- in a rented house or flat
- in your own flat in a housing company
- in your own single-family house
- in a right-of-occupancy home
- in a part-ownership home.

You can also get housing allowance for pensioners, housing supplement for students, and housing assistance for conscripts from Kela. These benefits are described in separate brochures.

You can normally be paid only one form of housing benefit at a time.





For which housing costs can you get general housing allowance?

You can get housing allowance payments for such housing costs as:

- **Rented home:** rent plus water and heating costs
- **Own flat in a housing company:** maintenance charge, interest on housing loans and water and heating costs
- **Own single-family house:** maintenance costs and interest on housing loans
- **Right-of-occupancy home:** residence charge, interest on housing loans and water and heating costs
- **Part-ownership home:** rent plus water and heating costs.

Water charges are accepted as housing costs if you pay them separately and on top of the rent or maintenance charge. Up to 19 euros per person and per month is accepted.

Heating charges are accepted as housing costs if you pay them separately and on top of the rent or maintenance charge. For single-person households the maximum amount of heating charges accepted is 41 euros per month. If the household consists of more than one person, 14 euros is added in heating costs for each additional person.

If you live in a single-family house, the water and heating costs as well as the other expenses of living in a single-family house are considered acceptable maintenance costs. The amount of acceptable maintenance costs is defined by law.

If you have a housing loan, 73% of the interest charged on the loan is accepted as housing costs.

How much general housing allowance can you get?

Housing allowance can be at most 80% of your housing costs. You always pay at least 20% of your housing expenses yourself.

The housing allowance does not cover all housing costs. It only covers acceptable housing costs as specified by law.

The maximum amount of housing costs on the basis of which you can get housing allowance, are also specified by law.

If your housing costs exceed the maximum limit for housing costs, you can only get housing allowance up to the maximum amount.

The maximum acceptable costs depend on the number of adults and children living in the same home and the municipality in which the home is located.

Location of the home

Finnish municipalities are divided into four groups according to the cost of living there.

The first group consists of Helsinki. It has the highest cost of living, so a bigger housing allowance is available there.

The second group includes

- Espoo
- Kauniainen
- Vantaa.

The third group includes

- Hyvinkää
- Hämeenlinna
- Joensuu
- Jyväskylä
- Järvenpää
- Kajaani
- Kerava
- Kirkkonummi
- Kouvola
- Kuopio
- Lahti
- Lappeenranta
- Lohja
- Mikkeli
- Nokia
- Nurmijärvi
- Oulu
- Pori
- Porvoo
- Raisio
- Riihimäki
- Rovaniemi
- Seinäjoki
- Sipoo
- Siuntio
- Tampere
- Turku
- Tuusula
- Vaasa
- Vihti.

All other municipalities are in the fourth group.

The municipalities in the Åland Islands form a group of their own.

Examples

Maija lives alone in a rented flat in Helsinki. She pays 800 euros per month in rent. Up to 521 euros per month can be accepted as housing costs for a person living alone in Helsinki. This means that 521 euros is used as the basis of calculating her housing allowance. The allowance is not calculated on the basis of her rent (800 euros).

A resident of Kemi, Tommi, lives alone as a subtenant. He pays 291 euros per month in rent. Up to 353 euros per month can be accepted as housing costs for a person living alone in Kemi. His housing allowance is therefore calculated on the basis of his rent (291 euros), because the rent is not higher than the maximum amount of housing costs.

Basic deductible

Before the final amount of the housing allowance can be known, a basic deductible is subtracted from the housing costs.

Its size depends on

- the gross household income per month
- the number of adults and children in the household.

Gross income means income before taxes.

The bigger the income is, the larger the deductible. If the income is very small, there is no basic deductible at all.





Income

The amount of the housing allowance is affected by

- earned income, for example wages or salaries (minus an earned-income deduction)
- capital income (for example rental income or interest on deposits)
- several social benefits, such as labour market subsidy, study grant, pensions and sickness allowance.

The amount of housing allowance is not affected by

- certain social benefits, such as social assistance, child benefit, provider supplement to the study grant, or informal care allowance
- student loan
- the income of a minor child who is a member of the household
- incidental income, such as a gift or an inheritance.

You must declare all of your income in the application for housing allowance.

Kela can also get information on salaries paid to you from the national incomes register.

Remember to tell Kela if your income increases or decreases.

Earned-income deduction

The earned-income tax deduction means that a sum of 300 euros per month is deducted from the total earned income of each household member. This means that Kela does not take this sum into account when calculating the income that affects the housing allowance. The deduction can be made from wage and salary income, self-employment income and farm income.

See Kela's website for more information about how income affects the amount of the housing allowance.

How is housing allowance calculated?

The housing allowance is calculated as follows: First, the basic deductible is subtracted from the housing costs. The housing allowance is equal to 80% of the remaining amount.

You can use a calculator on Kela's website to estimate the amount of housing allowance that may be available to you.

www.kela.fi/laskurit (in Finnish)

www.fpa.fi/berakningar (in Swedish)

Example

Jaakko lives alone in a rental home, which is located in Turku. He pays 700 euros per month in rent. Jaakko's income before taxes is 726 euros per month. Because Jaakko's income is small, there is no basic deductible.

Up to 400 euros per month can be accepted as Jaakko's housing costs. The housing allowance is calculated on the basis of the maximum amount of housing costs. It is not calculated on the basis of the rent (700 euros) paid by Jaakko.

The housing allowance that Jaakko gets is equal to 80% of his maximum housing costs, or $400 \text{ euros} \times 0.80 = 320 \text{ euros}$ per month. Jaakko pays 380 euros per month himself ($700 \text{ euros} - 320 \text{ euros} = 380 \text{ euros}$).



Application and payment

Apply for general housing allowance online at

www.kela.fi/asiointi (in Finnish) or

www.fpa.fi/etjanst (in Swedish).

The service is available in Finnish and Swedish only.

See the application form for a list of the documents you need to send with the application.

The documents can also be sent online.

You can also apply by filling in an application form that you can get from any Kela office or from Kela's website:

www.kela.fi/forms

If you apply for a benefit on an application form, send the form by post to Kela.

Kela's address is

Kela

PL 10

00056 KELA

You can also handle almost all of your benefit matters with Kela by phone.

You can apply for housing allowance retroactively for up to one month. For example, if you wish to get the allowance from January onward, your application must reach Kela before the end of February.

As soon as Kela has processed your application, you will receive a decision.

The amount of the allowance, the criteria based on which it is granted, and the payment date are shown in the decision. You will get a decision even if you have not been granted the allowance.

Kela pays the general housing allowance to your bank account on the first banking day of the month. You can also ask that the housing allowance is paid directly to your landlord.

Kela reviews the housing allowance once a year. The review may be carried out sooner if your circumstances change.



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

Online assistance:
www.kela.fi/kysy-kelasta

The site is in Finnish and Swedish, but you can ask questions in English and get a reply in English.

You can use calculators to calculate the amounts of the benefits:
www.kela.fi/laskurit (in Finnish)
www.fpa.fi/berakningar (in Swedish)

Kela's e-service:

www.kela.fi/asiointi (in Finnish)
www.fpa.fi/etjanst (in Swedish)

You must sign in to the e-service. You need online banking codes or a mobile certificate.

By contacting a Kela office

Addresses and opening hours of the Kela offices are available at
www.kela.fi/offices

Do you need an interpreter?

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

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

By phone

Open workdays from 9am to 3pm

Housing benefits **020 634 2550**

Pensions..... 020 634 2650

Rehabilitation and disability..... 020 634 2650

International situations (workdays from 10 am to 3 pm) 020 634 0200

Students and conscripts..... 020 634 2550

Overpayment recovery.....020 634 4940

Sickness and cards 020 634 2650

Social assistance 020 634 2550

Unemployment 020 634 2550

Families 020 634 2550

Book an appointment

You can book an appointment by calling our customer service number, or online:

www.kela.fi/appointments

The booking of appointments online will be reorganised.

After the reorganisation, you will have to sign in in order to book an appointment.

To sign in, you need online banking codes or a mobile certificate.

Kela 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

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The brochures are available at Kela offices.

Brochures in other languages:

www.kela.fi/other-languages