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Instructions for sales inquiry

Instructions for manufacturing, trade and services

This inquiry asks enterprises to provide data on their monthly turnover broken down into sales in Finland and sales abroad. As a rule, the inquired information equals data on turnover in accordance with the Accounting Act (Section 4, Paragraph 1). The reported data must include only turnover according to market-based activities.

Turnover comprises sales revenue from actual business activities, i.e. the value of goods and services sold during a month, as well as all expenses charged to the customer, such as transport and packaging costs. Granted discounts and the value added tax, and other taxes based direct on the volume of sales, as well as all customs duties, fees and taxes related to the goods and services of the unit, such as excise duties, motor vehicle taxes and the pharmacy fee must be deducted from the sales revenue. Exchange rate differences caused by international business are also taken into account in sales revenue. Rebates that affect turnover are allocated to the months in which the sales to which the rebate pertains was made. With regard to excise duties and the pharmacy fee the information on turnover requested in this inquiry deviates from the concept of turnover in the Accounting Act.

In addition to the sales adjustment items, income transfer and passage through items are deducted from sales. These are items belonging to another party with a legal obligation to keep books, which only technically go through the books of this party obliged to keep books. The items included in turnover vary by industry. For enterprises engaged in commission trade, only the received commission is recorded in turnover for commission trade.

The entry principle is accrual basis. An exception from the general entry principle is the percentage of completion method. If a company applies the percentage of completion method (progress billing) to commodities with extended production times, the data are reported by using the percentage of completion method.

Sales must be broken down according to the first destination where ownership changes (irrespective of whether the product physically crosses borders). Destination refers to the place where the enterprise having purchased the product or service is located. Domestic market is one where the purchasers are located in the same national territory as the responding enterprise.

Sales in Finland comprises turnover from the sales of goods and services in Finland. Sales in Finland include sales from Mainland Finland to the Åland Islands and from the Åland Islands to Mainland Finland.

Sales abroad comprises turnover from the sales of goods and services abroad.

Of which sales of goods and services from abroad to abroad comprises sales in which goods or services move direct from country to country abroad but the seller is an enterprise located in Finland.

Instructions for construction

This inquiry asks enterprises for data on their monthly sales of construction services broken down into sales in Finland from main contract type of activity and sales in Finland from subcontracting and sales abroad. The reported data must include only turnover according to marketbased activities. In addition, the inquiry asks about own use of construction services valued according to procurement.

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Construction services comprise:

- Construction and repairs of real estate and handing over of goods installed in their connection
- Building development, design, supervision or some other comparable service related to construction and repairs of real estate

1. Sales of construction services in Finland from main contract type of activity comprise sales revenue from assignment contracts made directly with end customers and carried out in Finland. In this context, main contract type of activity means any construction service, which is based on an agreement made directly with the end customer. Its contract form may also be other than piecework contract (e.g., cost plus contract, unit price contract, lump-sum contract, subsidiary contract, main contract, total contract, turnkey contract or project management contract).

2. Sales of construction services in Finland from subcontracting comprise sales of subcontracting services in Finland. In this context, subcontracting means any construction service for which some other enterprise (e.g., the main contractor) has made the agreement with the customer in its own name.

3. Sales of construction services abroad comprise turnover from sales of construction services abroad. In sales abroad, an economic unit located in Finland receives payment for construction services directly from an economic unit located abroad (regardless of whether the product itself physically moves across borders). Economic units resident in Finland refer to economic units whose economic activity is permanently concentrated in Finland and which have a facility in Finland, such as an establishment or a production plant, from which they practice the activity. The activity is considered as permanent if it has continued for at least twelve months. Other economic units, including Finnish enterprises' subsidiaries and branches abroad, are defined as non-residents. Total sales calculated as construction services must correspond to the total sum of sales of construction services in Finland and sales abroad.

4. Own use of construction services: Besides actual own use, own use of construction services includes construction on own account (e.g., founder contracting) and real estate development. It is valued as the taxation basis according to Sections 76 to 77 of the Value Added Tax Act, i.e., the direct and indirect costs of self-performed construction services. The value of own use must also include the materials used in the construction and purchased services. The cost of plot acquisition is not included in the value of own use. Own use can alternatively be valued as corresponding work done for an outside party.

Examples of construction services

Construction services include, for example,

- Construction and repairs of real estate and handing over of goods installed in their connection
- Construction of transport connections, networks and other environmental and land structures
- Erection on site of prefabricated buildings and structures
- Site preparation and demolition
- Building completion and finishing
- Building installation (e.g. plumbing, electricity and roof work)

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- Installation of lifts into buildings and their servicing
- Installation of building fixtures and fittings
- Building cleaning
- Renting of construction machinery with operator when construction and repair work directed at the real estate is carried out with the construction machine by its operator

Construction services exclude, for example,

- Installation and erection of machinery and equipment used in production activity
- Planting and care of green spaces
- Architectural services
- Building and structural design, and other engineering services and technical design
- Renting of construction machinery without driver or operator
- Sanitation of outdoor areas
- Transport services

Joint ventures

If the enterprise is part of joint ventures, the turnover reported to them is not to be included in the sales inquiry.

What are main contract type of activity and subcontracting and what do they apply to?

The division into main contract type of activity and subcontracting is made on the basis of whether or not the enterprise itself has made an agreement directly with the end customer. The division is not based on the form of contract as such. If the enterprise has made the agreement concerning the assignment directly with the end customer, the data should be reported under Main contract type of activity. If some other enterprise has made the agreement concerning the assignment directly with the end customer, the data should be reported under Subcontracting. The division of sales of construction services into main contract type of activity and subcontracting only applies to sales in Finland.

What is own use and what does it apply to?

Actual own use means that a practitioner of trade takes a product or service into his/her own or his/her personnel's private consumption or for a purpose other than business activity without compensation. Own use is not applied to an enterprise's internal invoicing if the product or service remains within its business activity. Reporting of own use of construction services is applied to founder contracting. Founder contracting is an operating model of construction companies, which is closely associated with the development of real estate. Own use is reported only for sales in Finland.