

YOUR PATH IN FINLAND · TOIMINIMI

How to open a toiminimi in Finland as a foreigner: step by step

Information verified: 2026-10-29 · selkoraha.fi

A toiminimi is a sole trader business (yksityinen elinkeinonharjoittaja). There is no separate legal entity: the profit is taxed as your personal income, and you answer for the business's debts with everything you own. It is the simplest way to run a business of your own in Finland, and a foreigner living here on a residence permit can open one.

The registration itself is one application in OmaVero, and the Business ID (Y-tunnus) arrives at once. What takes longer is everything around it: checking your permit conditions, not losing the start-up grant, getting the credentials to sign in, and opening an account that no bank is obliged to give you. The steps below follow that order. Each one names the authority and links to its page, and the figures are for 2026.

Setting up a limited company (Oy) instead, or living outside Finland? The general guide covers that. [Starting a business in Finland: https://selkoraha.fi/en/path/start-a-company-in-finland](https://selkoraha.fi/en/path/start-a-company-in-finland)

Since 2023 a toiminimi does not have to join the trade register

A new Trade Register Act has applied since 1 June 2023, and a sole trader no longer has to register with the trade register. An entry is required only if you live permanently outside the EEA, or if the business is so large that it must file financial statements with the register. Only an entry in the register gives you an exclusive right to the business name. Many guides still say a sole trader must register once there are premises or employees: that was the rule of the old Act.

Your own business does not cancel your permit conditions

Migri allows you to run a business on a residence permit granted on any grounds, but the conditions of the permit itself still apply. On a permit for employment you must stay employed and keep doing the work the permit was issued for. A student's studies must progress, and the family relationship behind a family-based permit must continue. The toiminimi adds to these conditions; it does not replace them.

Steps to your own toiminimi

1 MIGRI

Check what your residence permit allows

You do not need a separate permit for a toiminimi. Migri says it plainly: with a valid residence permit you can work as an entrepreneur, a freelancer or a light entrepreneur (kevytyrittäjä), whatever grounds the permit was granted on. There is no separate residence permit for freelancers or light entrepreneurs at all.

If you want the business itself to be your grounds for living in Finland, that is what the residence permit for an entrepreneur is for.

- ☐ Employment or specialist permit: stay employed and keep doing the work the permit was issued for
- ☐ Studies or research: your studies or research must progress
- ☐ Family: the family relationship the permit is based on must continue
- ☐ International or temporary protection: you may start a business
- ☐ Apply for an extension before your permit expires: if you apply late, your right to run the business may be interrupted

[migri.fi – business activities of residence permit holders: https://migri.fi/en/business-activities-of-residence-permit-holders](https://migri.fi/en/business-activities-of-residence-permit-holders)

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TYÖLLISYYSALUE**Want the start-up grant? Apply before you register**

The start-up grant (starttiraha) is EUR 37.21 a day in 2026, around EUR 800 a month before tax. The first period is six months, with up to six more as an extension. Your municipal employment area (työllisyysalue) decides out of its own budget, and there is no right to the grant even if you meet every condition.

The grant is refused if your main business activity began before the application reached the employment authority. Suomi.fi advises even more caution: do not register the business until you have the decision. So the order is application, decision, then the toiminimi.

- ☐ Call your employment area first and ask whether there is budget right now
- ☐ The application needs a business plan, a profitability calculation and a financing plan; Uusyrityskeskus helps with them free of charge
- ☐ The grant is taxable and counts towards your advance tax
- ☐ Not applying for the grant? Go straight to the next step

Työmarkkinatori – starttiraha: <https://tyomarkkinatori.fi/lisatietoa-palveluista/starttiraha>

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DVV / SUOMI.FI**Get your identity code and sign-in credentials ready**

To apply online you need a Finnish personal identity code (henkilötunnus) and a Suomi.fi identification method: online banking credentials (pankkitunnukset) or a mobile certificate (mobiilivarmenne). Most people receive the identity code with a positive residence permit decision. If you do not have one, you can ask DVV to register you after you arrive.

You can also sign in to OmaVero with an electronic identity from another EU country (eIDAS). If online filing is out of reach altogether, there is the paper form Y3: it has to be filled in in Finnish or Swedish, and the Business ID appears in the YTJ search within three days.

- ☐ Only a Finnish bank issues online banking credentials, and only to a customer with an identity code
- ☐ A mobile certificate comes from your phone operator, but activating it often requires banking credentials
- ☐ The YTJ online service is in Finnish and Swedish only
- ☐ You will need the same credentials for a Holvi account and for OmaVero, so get them early

migri.fi – personal identity code with a residence permit: <https://migri.fi/en/personal-identity-code>

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VERO / PRH**Register your toiminimi in OmaVero**

A toiminimi is opened directly in OmaVero, the Tax Administration's e-service. You give the line of business, the bookkeeping method, the financial year and the start date, and when you file electronically the Business ID arrives at once. In the same application you can join the prepayment register, the VAT register and the employer register. Those registrations take about three weeks.

For a toiminimi the PRH trade register is optional. An entry costs EUR 75 and protects the business name. It is filed in YTJ, and you can add it later with a separate notification. It is mandatory if you live permanently outside the EEA, and then you also need a permit from PRH.

- ☐ Prepayment register: without it, clients must withhold tax from your invoices, so for work with businesses you practically need it
- ☐ VAT: registration is mandatory once turnover exceeds EUR 20,000 in a calendar year; below that it is voluntary
- ☐ The employer register is only needed if you pay wages regularly
- ☐ Banks usually ask for a recent trade register extract. If you registered in OmaVero only, ask the bank in advance whether your YTJ details will do

- ☐ When registering you can choose whether your address is published on ytj.fi

[vero.fi – start-up notification: https://vero.fi/en/businesses-and-corporations/business-operations/setting-up-a-business/start-up-notification](https://vero.fi/en/businesses-and-corporations/business-operations/setting-up-a-business/start-up-notification)

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BANK OR PAYMENT INSTITUTION

Open an account for the business, and allow time for it

The law does not require a separate account for a toiminimi, but Suomi.fi recommends one: it makes it easier to tell private payments from business ones. Since October 2025 online banks also check the payee's name against the account holder. If your invoice carries the business name but the account is in your own name, the payer sees a warning.

A bank in Finland is not obliged to open an account for a business: basic banking services are guaranteed only to private individuals. Banks usually ask for a trade register extract, a description of the business, an estimate of payment volumes and an identity document. The online alternative is Holvi, a Finnish payment institution (maksulaitos). It opens accounts only for businesses that are already registered, and you identify yourself with Finnish banking credentials or a mobile certificate.

- ☐ Apply as soon as you are registered: this is the least predictable step
- ☐ A toiminimi has no separate account for tax refunds: the Tax Administration holds one account number for you
- ☐ The business account comparison calculator shows what the banks and Holvi cost for your number of payments

[suomi.fi – opening a bank account for a company: https://www.suomi.fi/company/starting-a-business/establishing-a-company/guide/companys-bank-account/opening-a-bank-account-for-a-company](https://www.suomi.fi/company/starting-a-business/establishing-a-company/guide/companys-bank-account/opening-a-bank-account-for-a-company)

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TYÖELÄKEYHTIÖ

Take out YEL once your income reaches the threshold

The self-employed pension insurance YEL is mandatory when the activity lasts at least four continuous months and your work income (työtulo) is at least EUR 9,423.09 a year. It must be taken out within six months of starting. The 2026 contribution is 24.40 per cent of työtulo, and a first-time entrepreneur gets a 22 per cent discount for 48 months.

Työtulo is neither turnover nor profit but the value of your work. Not only your pension but also sickness, parental and unemployment benefits are calculated from it, so a work income set too low cuts all of that protection at once.

- ☐ At the minimum työtulo with the discount, the contribution is about EUR 149 a month
- ☐ The unemployment fund for the self-employed requires a työtulo of at least EUR 15,481 a year
- ☐ The pension company recommends a työtulo with a range of plus or minus 30 per cent

[tyoelake.fi – when do I need YEL insurance: https://www.tyoelake.fi/en/pensions-for-the-self-employed/when-do-i-need-insurance/](https://www.tyoelake.fi/en/pensions-for-the-self-employed/when-do-i-need-insurance/)

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VERO

Estimate your profit for the advance tax

A toiminimi pays its tax in advance. You give the estimate of the year's profit yourself in OmaVero, because a new business has no income history. The advance tax decision is based on it, and the payments fall due on the 23rd of the month. The calculation includes all your income for the year, wages from employment and the start-up grant included.

You can change the estimate as often as you like, in either direction. If the advance turns out too small, pay the difference as an additional prepayment (lisäennakko) rather than waiting for the final tax.

- ☐ Revise the estimate as soon as reality diverges from the plan
- ☐ The minimum additional prepayment for an individual is EUR 170

[vero.fi – tax prepayment: https://www.vero.fi/en/businesses-and-corporations/taxes-and-charges/tax-prepayment/](https://www.vero.fi/en/businesses-and-corporations/taxes-and-charges/tax-prepayment/)

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VERO

Watch the VAT threshold: EUR 20,000 a year

Registering for VAT is mandatory once turnover in a calendar year exceeds EUR 20,000. Both the current and the previous year count, and the obligation starts on the date the threshold is crossed, not retroactively from the start of the year. Below the threshold, registration is voluntary.

The 2026 rates are 25.5 per cent in general and 13.5 and 10 per cent reduced. A VAT-registered business gives the buyer a receipt or an invoice with the VAT shown separately.

- ☐ The small-business relief (alarajahuojennus) was abolished on 1 January 2025: do not count on it
- ☐ The threshold is about turnover, not profit

vero.fi – how to register for VAT: <https://www.vero.fi/en/businesses-and-corporations/taxes-and-charges/vat/how-to-register-for-vat/>

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VERO

Keep the books from day one

The duty to keep accounts applies to every business, a toiminimi included. Keep receipts and invoices, and keep business income and costs apart from your private money: this is where a separate account pays off.

An accounting firm is not mandatory. A small toiminimi can keep its books in software if there are few documents and the transactions are simple.

- ☐ You state the bookkeeping method and the financial year already in the OmaVero application
- ☐ Taxes, returns and deadlines are the entrepreneur's own responsibility

vero.fi – checklist for new entrepreneurs (in Finnish): <https://vero.fi/yritykset-ja-yhteisot/yritystoiminta/uusi-yritys/yrityksen-perustajan-muistilista/>

Important

This material is orientation, not legal or tax advice. Figures and rules change, and only the authorities decide your case: Migri, the Tax Administration, PRH, your employment area and your pension company. Always check the current information on the official sites. Free and impartial help for new entrepreneurs is available from the Uusyrityskeskus network.