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1. Types of tax

Although there is only one tax that is based on the Inheritance and Gift Tax Act (1940), the tax has two clearly distinguishable tax objectives. For this reason, the taxation of inheritances and bequests and the taxation of gifts are treated separately in this section and the two names for the taxes are used accordingly. Inheritance tax and gift tax are imposed solely by the state.

1.1 Inheritance tax

Scope of application

Inheritance tax is levied on the individual share of each beneficiary and not on the estate of the deceased as a whole. Inheritance tax is levied on the following property received as an inheritance or a bequest:

- Any property if the deceased or the person who receives the property as an inheritance or a bequest was a resident in Finland at the time of death

- Real property situated in Finland and shares or other rights in a corporate body where more than 50% of the total gross assets of that corporate body consists of real property situated in Finland

Insurance claims paid out to a beneficiary or estate under a personal insurance scheme in the event of the death of the benefactor, as well as any similar economic subsidy paid by the government, a municipality or any other statutory body or a pension institution, are subject to inheritance tax only if they are not subject to income tax.

No inheritance tax is levied on the value of a right to annual income or on the value of a usufruct.

No inheritance tax is payable when, on being dissolved, the property of an association is transferred in accordance with its articles of association. If the inheritance tax should be levied on the same property on the basis of two or more deaths that have occurred within two years, the inheritance tax is levied only once and on the basis of the most remote relationship.

The liability to pay inheritance tax begins with the death of the decedent, except in situations where the property comes to the heir or other beneficiary later than the death of the deceased.

When it comes to generational transfer situations, nheritance tax relief can be granted under the same conditions as a gift tax relief described in Section 1.2.

Credit for foreign inheritance tax

To avoid double taxation, the tax paid on an inheritance by a Finnish resident to a foreign state on property mentioned earlier in this section is credited against the inheritance tax due in Finland on the same property.

The maximum credit is the lesser of either the amount of foreign inheritance tax or an amount based on the following calculation (ordinary credit):

$$\frac{\text{Value of foreign property x Finnish inheritance tax}}{\text{Value of total property (including foreign property)}}$$

Finland does not eliminate double taxation with respect to immovable property situated in Finland or shares or other rights in a corporate entity if more than 50% of the total gross assets of the company consists of real property situated in Finland. In exceptional cases, a taxpayer may be exempted totally or partly from inheritance or gift tax liability if it is evident that the payment would be unreasonable.

1.2 Gift tax

A gift tax is levied on the following types of property received as a gift:
- Any property if the donor or the beneficiary was a resident in Finland at the time the gift was made
- Real property situated in Finland and shares or other rights in a corporate body where more than 50% of the total gross assets of that corporate body consists of real property situated in Finland

No gift tax is levied on ordinary household effects intended for the beneficiary's (or his or her family's) personal use and with a maximum value of EUR5,000, or on amounts used by a person for another person's (beneficiary's) education or maintenance when that other person does not have the possibility to use the donated amount for other purposes and on other gifts whose value is less than EUR5,000. If a person receives such gifts from the same donor within a period of three years, the gifts are aggregated for the purpose of computing the EUR5,000 limit and the gift tax is imposed on the exceeding amount. If a person has received one or more taxable gifts from the same donor within three years before their tax liability has begun, these gifts must be considered when the tax is calculated. The gift tax paid earlier is credited in such cases.

The gift tax is similar to the inheritance tax in the following areas:
- Credit for foreign gift tax
- Exempt persons
- The valuation of property

The liability to pay gift tax begins when the beneficiary takes possession of the gift. In cases where the financial consideration in a contract of sale or exchange does not exceed three-quarters of the current price of the property sold or exchanged, the difference between the current price and the consideration is regarded as a gift.

Gift like sales

In a gift like sale, the selling price is below the fair market value (FMV) of the assets but exceeds 75% of the FMV. In this case, the difference between the FMV and the compensation does not form a taxable gift.

Partial or full relief from gift tax

A partial gift tax relief for a generational transfer of a company may be granted if all the following conditions apply to a situation:
1. The gift subject to tax includes a company or a part of it. A company must have business activity and at least 10% of the company shares must be transferred.

2. The beneficiary will continue to conduct the business in the same company that the beneficiary received as a gift.
3. The company accounts for more than EUR850 of gift tax.

Gift tax relief can also be granted in full if the aforementioned conditions are met and the beneficiary pays consideration of more than 50% of the company's FMV. If partial tax relief is granted, it is possible to obtain an interest-free extension for the payment of the gift tax.

If the gift tax obligation has been partially or fully relieved and the taxpayer transfers the majority of the company before five years of the delivery of gift tax, the tax will be executed with a 20% raise and the relief of the payment time will be canceled. Transferring refers to voluntary transfer of the shares and the majority refers to over 50% of the shares. If the transfer will be conducted in accordance with a corporate transaction, the tax relief must be evaluated separately.

1.3 Real estate transfer tax

Transfer tax on real estate is 3% of the purchase price or value of other remuneration if the transfer agreement has been signed after 12 October 2023. Otherwise, transfer tax is 4%. The tax must be paid before seeking legal confirmation of possession or registration of the tenancy, which must be sought within six months of making said transfer contract. The National Land Survey of Finland will confirm possession. Applicants must present a receipt, or other documentation, to prove that the payment of transfer tax has occurred.

When real properties are exchanged, this constitutes two separate transfers, which obliges both transferees to pay the transfer tax relating to the received acquisition.

If legal confirmation of possession and registration is not sought within six months of the transfer in question, the tax will be increased by 20% for each six-month period of delay. However, the maximum total increase is 100%.

1.4 Endowment tax

In general, trusts are not recognized in the Finnish taxation system because there isn't any specific endowment tax; assets moved into trusts are taxed according to the regulations concerning gift tax (see Sections 1.2 and 7).

1.5 Securities transfer tax

Transfer tax is 1.5% of the purchase price or other remuneration of the transfer of securities if the transfer agreement has been signed after 12 October 2023. Otherwise, transfer tax is 1.6%. The transfer tax on shares in housing companies, mutual real estate companies and other estate companies is 1.5% if the transfer agreement has been signed after 12 October 2023. Otherwise, the transfer tax is 2%.

The buyer shall pay the transfer tax and report the procedure to the tax office of his or her domicile. The tax and the report shall be made within two months of signing the transfer agreement. To report the transfer, one must use the form supplied by the tax administration. The buyer must also present a receipt of payment, as well as the conveyance or other agreement of transfer.

When trading bonds and securities, two transfers take place. Both acquiring parties must pay transfer tax and report the transfer.

1.6 Net wealth tax

Net wealth tax is no longer a part of the Finnish taxation system. Despite that, a person's net wealth with certain limitations shall be declared to tax authorities in connection with filing an annual tax return.

2. Who is liable?

Finland levies inheritance tax on the estate of a deceased person separately on each beneficiary in respect of his or her share of the estate. Similarly, Finland levies gift tax on each donee.

2.1 Residency

Inheritance or gift tax must be paid if the deceased person or donor or the beneficiary or donee was a resident of Finland at the time of death or donation. The tax liability covers all immovable and movable property situated in Finland or abroad. Inheritance or gift tax must be paid for immovable property situated in Finland and shares in a company if more than 50% of its assets comprise immovable property situated in Finland, even if neither the deceased donor nor the beneficiary donee was a resident of Finland. A double taxation agreement may limit Finland's taxation rights (see Section 11.1).

An individual is a resident of Finland if his or her main residence is in Finland. The sole fact that an individual stays in Finland for a longer period does not constitute residence for inheritance and gift tax purposes (as it does for income tax purposes). Similarly, there are the same prerequisites for nationals and non-nationals as there are for income tax purposes. A Finnish national who recently moved abroad may be a Finnish resident for income tax purposes, but not for inheritance and gift tax purposes.

2.2 Domicile

Certain special groups of individuals are liable to pay inheritance or gift tax only on real property situated in Finland and on shares or other rights in a corporate entity if more than 50% of the total gross assets of the company consist of real property situated in Finland. This special scope of tax liability applies to persons serving in Finland at foreign diplomatic missions, other similar representations or consular posts headed by career consular officers, as well as members of their families and their private servants who are not Finnish nationals. The same scope applies to persons serving in Finland as employees of the United Nations (UN), its specialized agencies or the International Atomic Energy Agency (IAEA), as well as members of their families and their private servants who are not Finnish nationals.

3. Rates

Rates of inheritance and gift tax are determined on the basis of two classes of relationships between the beneficiary (the donee) and the deceased (the donor).

Tax class 1

Spouses, direct heirs in an ascending or descending line and spouses' direct heirs in a descending line are taxed according to tax class 1. Also, fiancé(e)s and cohabiting partners (within the meaning of the Act on the Dissolution of the Cohabiting Couples' Joint Household) are taxed according to tax class 1 up to a certain amount.

The concept of direct heirs in an ascending or descending line includes persons in adoptive relationships and foster children in certain cases. Class 1 rates apply also to spouses if the provisions of the Income Tax Act concerning spouses are applicable (meaning persons, who have lived in marriage like circumstances during the tax year and who have previously been married to each other or who have or have had a child together).

Tax class 2

All other cases (relatives or nonrelatives) that do not fall under class 1.

Taxable inheritance and gift (EUR)	Basic tax amount (EUR)	Rate within brackets
Rates of inheritance tax for class 1		
20,000–40,000	100	7%
40,000–60,000	1,500	10%
60,000–200,000	3,500	13%
200,000–1,000,000	21,700	16%
1,000,000 and above	149,700	19%
Rates of inheritance tax for class 2 (EUR)		
20,000–40,000	100	19%
40,000–60,000	3,900	25%
60,000–200,000	8,900	29%
200,000–1,000,000	49,500	31%
1,000,000 and above	297,500	33%
Rates of gift tax for class 1 (EUR)		
5,000–25,000	100	8%
25,000–55,000	1,700	10%
55,000–200,000	4,700	12%
200,000–1,000,000	22,100	15%
1,000,000 and above	142,100	17%
Rates of gift tax for class 2 (EUR)		
5,000–25,000	100	19%
25,000–55,000	3,900	25%
55,000–200,000	11,400	29%
200,000–1,000,000	53,450	31%
1,000,000 and above	301,450	33%

4. Exemptions and reliefs

The following persons are exempt from inheritance tax when they receive an inheritance or a bequest:

- The state and its institutions, municipalities, joint municipal authorities, religious communities and nonprofit-making organizations
- Persons serving in Finland at foreign diplomatic missions, other similar representations or consular posts headed by career consular officers and persons serving in Finland as employees of the UN, its specialized agencies or the IAEA, as well as members of their families and their private servants who are not Finnish nationals. However, these persons are liable to pay inheritance tax on real property situated in Finland and shares or other rights in a corporate body in which more than 50% of the total gross assets of the company consist of real property situated in Finland (see Section 2)

No inheritance tax is payable when a widower or widow is entitled by law to retain the undistributed estate of the deceased spouse in his or her possession.

Inheritance tax is not levied on the ordinary household effects used by the deceased or his or her family for the part that does not exceed EUR4,000.

In addition, the spouse or any person to whom the provisions of the Income Tax Act concerning spouses are applicable for the year of death is entitled to a deduction of EUR90,000 from the chargeable share of the inheritance (spouse allowance). The provisions of the Income Tax Act relating to spouses do not apply in instances in which the spouses have lived the whole tax year apart or have moved to separate dwellings during the tax year in order to live permanently apart. The same applies in the case of a married couple when either of the spouses is a nonresident.

Cohabiting couples, for the purposes of income taxation, are considered spouses if they have been married to each other previously or if they have or had a child together.

Heirs in direct descending line (including adopted persons) who are under 18 years of age and entitled to inherit the deceased person's estate at the time of the person's death are entitled to a deduction of EUR60,000 (minority allowance). If the value of an heir's share of the estate or the same value after deducting the spouse allowance and minority allowance is less than EUR20,000, it is exempt from tax.

5. Filing procedures

Inheritance taxation is based on an estate inventory deed or a tax return. The estate inventory deed must be filed in the tax office of the residence of the deceased within three months of the death. Finnish resident beneficiaries must file a tax return if the deceased person was not a resident of Finland at the time of death. The person who possesses the property in Finland must file the tax return if no beneficiary is a resident of Finland. The tax return of the estate must be filed within three months of the death in the Helsinki area tax office.

All assets and debts of the deceased should be itemized in the estate inventory deed. The tax authorities may impose punitive sanctions to the estate on income that the settlor has not reported in Finland.

With regard to gifts, the beneficiary prepares and signs the gift tax return. The gift tax return must be filed in the tax office of the residence of the donor within three months after the gift is received. If the donor does not live in Finland, the tax return is to be filed in the Helsinki area tax office. Should the gift be of less than EUR5,000 in value, a tax return is not needed, unless specifically required by the tax office.

6. Assessments and valuations

The basis of inheritance tax is the current value of the property at the moment of a taxable event. The current value means the probable alienation price. The value of a gift that must be taken into account in the distribution of an inheritance is included in the value subject to inheritance tax. The value of any other gift received during the last three years before the death of the benefactor is also included in the value subject to inheritance tax under the condition that it is not gift tax-exempted as:

- Ordinary household effects intended for the beneficiary's (or his or her family's) personal use and with a maximum value of EUR5,000
  Or
- An amount used by a person for another person's (beneficiary's) education or maintenance in such a way that the other person does not have the possibility to use the donated amount for other purposes

Previously paid gift tax is deducted from inheritance tax in these cases.

Deductions are given for previously paid transfer tax when a real property's registration title's gift tax was earlier sought and not deducted. The part of gift tax that exceeds inheritance tax is not refunded. Deductions are allowed for all debts, including taxes relating to the lifetime of the deceased, but excluding inheritance tax. It also includes funeral and tombstone costs and expenses incurred in drawing up an estate inventory, up to reasonable amounts. Expenses incurred in distributing estates are not allowed as deductions.

7. Trusts, foundations and private purpose funds

Status as a legal person for tax purposes

Trust institutions are not recognized in the Finnish tax or civil law. In a tax practice, trusts have usually been compared to the Finnish foundations and have been taxed as separate entities. However, recognizing a trust as a separate entity for tax purposes in Finland is open to interpretation. The decision-making is based on the case-specific circumstances.

If the trust is treated as a separate legal person, the beneficiaries are taxed on distributions made by the trust. Please note that if Finnish controlled foreign company legislation applies, the annual income of the trust would be taxed as the beneficiaries' income.

Inheritance taxation

There are very few legal cases and non-established tax practices in Finland with regard to inheritance and gift taxation, as well as income taxation, when a trust is involved.

The trust's assets received by the heirs after the settlor has passed away may be regarded as part of the settlor's estate and thus subject to inheritance taxation in Finland in the hands of the beneficiaries. The inherited right to the yield of a trust (as beneficiaries) may be exempted from tax in Finland. Even if a part of the foundation's assets is not distributed to the beneficiaries, the total amount of assets in the trust may be considered subject to inheritance tax, depending on the rules of the trust and the circumstances.

The inheritance taxation is not entirely clear on whether the beneficiaries can receive the trust's assets under certain suspensive conditions. While inheritance taxation may occur if the beneficiaries receive the assets in their possession, there is also a tax practice against this position.

Income received from a trust

If the acquisition is not based on the death of the settlor, the income and assets received by the beneficiaries from the trust may be regarded as a gift from the settlor. This is because the tax authorities may consider the assets as received directly from the settlor and not from the trust as a separate entity.

If the beneficiaries are deemed to receive a gift, they may be regarded as having received the gift from the settlor already when the settlor set up the trust. However, if the beneficiaries did not have any rights or do not have any control over the assets (or income from the trust), they may be taxed once they have received the assets.

When beneficiaries receive income from a trust's assets, it is considered their personal capital income because the assets in the trust have accrued income.

Taxation as a separate legal entity

Whether a trust is treated as a separate legal person or not depends entirely on the discretion of the Finnish tax authorities.

If a trust is not treated as a separate entity, however, all income earned by the trust is taxed in the hands of the beneficiaries as if they had received the income directly.

If the trust is treated as a separate legal person and is a resident in Finland for tax purposes (i.e., registered or otherwise established under the domestic law of Finland (for example, a corporate entity that has its place of management in Finland does not make it Finnish)), it has unlimited tax liability in Finland and is thus subject to tax for its global income or both for Finnish and foreign-source income. A legal person subject to unlimited tax liability is liable to file a tax return for his or her global income. The tax treatment of foreign-source income largely corresponds to the tax treatment of the Finnish-source income. However, some foreign-source income items are taxed differently. Certain foreign-source items may be tax-exempt because of a specific domestic tax law, European Union (EU) tax law or tax treaty provision.

Legal persons subject to limited tax liability (legal persons registered abroad or otherwise established under foreign law — foreign legal persons) are subject to taxes in Finland only for Finnish-source income and need to file a tax return for their Finnish-source income. The Income Tax Act includes an exemplary list of the items regarded to be Finnish-source. Certain items may be tax-exempt according to a special provision, even though they are Finnish-source items. For example, Finnish-source interest income of a nonresident is largely tax-exempt.

Taxation as the estate's or beneficiaries' income

Estates are taxed on income as a separate entity until the distribution of the estate. Beneficiary income from trusts may be taxed as the estate's income if the trust is not recognized as a separate entity for tax purposes. The estate remains until all assets of the estate have been distributed to the beneficiaries. Finland does not tax the foreign-source dividends of nonresidents.

Income taxation after the dissolution of the trust

When the trust is dissolved and all assets are distributed to the beneficiaries, capital gains tax applies if the trust is regarded as a separate legal entity. If a trust is not taxed as a separate entity, dissolution should not have any income tax effect. The estate should declare these assets on its tax return for as long as the estate is not distributed to the beneficiaries.

8. Grants

Grants are not taxable income if they are:
- Scholarships or other grants given for studies or scientific research or the arts
- Awards given for the benefit of scientific work, work in the arts or work for the public good
- Pensions or family pensions given by the state before 1 January 1984, for work mentioned in Sections 1 and 2
- Grants given for professional athletes with the purpose of encouraging training or coaching

Grants are given by public sector entities, such as the state, the municipality or the Nordic Council. (Note: The Nordic Council was formed in 1952. The Council has 87 elected members from Denmark, Finland, Iceland, Norway, Sweden, the Faroe Islands, Greenland and Åland. For more information, visit norden.org/en/nordic-council.)

Due to the university law (558/2009), as of 2010, universities are no longer seen as public entities and are therefore not treated as public entities in regard to taxation. Grants given by foreign states and public entities in foreign states are not subject to the above-mentioned regulation and are therefore taxed as income.

If a grant is paid by the employer and is regarded as compensation for work, it is considered taxable income, even if the purpose of the grant is one of those mentioned above.

A grant given by a private person is seen as taxable income when the amount, combined with the grants given by public entities or the Nordic Council, student grants and other grants, exceeds the annual amount of the artist grant given by the state. In 2023, the artist grant is is EUR25,547.52, and in 2024, it is EUR26,269.46.

9. Life insurance

Paid indemnities from life insurance must be listed and accounted for in the estate inventory.

If the estate inventory is made before such payment, the beneficiary may report the indemnity to the tax authorities. Insurance companies are also obliged to inform the tax authorities of paid indemnities.

If the beneficiary is defined in the life insurance agreement, the payment does not belong to the estate. If the beneficiary is not stated in the agreement, then the payment belongs to the estate. This has led to most insurance policies being written with the inclusion of a predetermined beneficiary.

Inheritance tax must be paid if the beneficiary is the estate or another determined beneficiary. The part of the indemnity that is accounted for as income under income taxation is free from inheritance tax.

The beneficiary can either be listed as a specific beneficiary or a general beneficiary in the insurance agreement. If the beneficiary is a specific person, it means that the indemnity goes straight to him or her. If the beneficiary is generated using a more flexible term, such as "next-of-kin," then it is up to the estate to determine the beneficiaries.

If the beneficiary is not a relative (for example, a friend), the entire indemnity is considered to be taxable income and no inheritance tax is imposed.

10. Civil law on succession

10.1 Estate planning

It is important to calculate whether it is more tax efficient to give a gift or inheritance advance, as this varies from one case to another.

It is most common to give gifts to one's children, and these gifts are generally considered to be an inheritance advance, unless it is stated otherwise in the deed of the gift. An inheritance advance is always added to the deceased's assets, whereas a gift is only considered part of the estate if the gift is given within three years prior to the death.

10.2 Succession

Under the universal succession principles, title and possession of the estate transfers automatically at death to the heirs. The heirs' liabilities to the deceased's debts are limited to the assets of the estate, if certain conditions are met.

An heir and a universal beneficiary under a testament may transfer their shares in the estate to another estate. Such a transfer shall be effected in writing.

10.3 Forced heirship

The Finnish Code of Inheritance statutes provide forced heirship provisions for the direct heir, adoptive children of the deceased, and the descendants of the direct heir, and the children of the adoptive children or direct heir. The lawful share is one-half of the value of the share of the estate that, according to the statutory order of succession, passes down to the direct heir.

Also, persons whom the deceased has disinherited in a testament, or that for some other legal reason are not to inherit, shall be taken into account when establishing the lawful share.

When determining the lawful share, due note shall also be taken to the value of property that is to devolve from the surviving spouse to the heirs of the deceased spouse, or to be paid to the surviving spouse.

Obligations in the form of a promise of a gift to be given from the assets of the estate shall not be deducted, in addition to amounts that are to be paid for future fulfillment of the deceased's statutory maintenance obligation.

In the absence of special reasons to the contrary, advances given by the decedent and gifts given by the deceased shall be added to the assets of the estate. The value of the property shall be its value when received, unless the circumstances require otherwise.

10.4 Matrimonial regimes and civil partnerships

Chapter 3 of the Finnish Code of Inheritance regulates the inheritance of spouses and registered partners.

A spouse or registered partner has the right of possession of the estate and may possess the entire estate undivided.

If the deceased has no direct heirs, the entire estate goes to the spouse. The estate forms a common property together with the property of the surviving spouse.

If the deceased does not have secondary heirs (father, mother, brother, sister, stepbrother or stepsister, or their descendants), the spouse gets unlimited property rights to the estate.

The deceased may have either limited or extended the amount of secondary heirs using a testament. Also, institutions may be secondary heirs of an estate.

The surviving spouse may use the common property, sell it, lease it or lodge it as security without the consent of the secondary heirs. However, the surviving spouse may not include property that is due to the secondary heirs after the death of the surviving spouse in a valid testament.

10.5 Intestacy

A will is a legal document that regulates an individual's estate after death. For a will to take effect in Finland, it must be in writing and have the signatures of two witnesses. These witnesses must sign the will simultaneously and witness the testator sign the will before signing it themselves. The witnesses must know the document is a will, but it is up to the testator to decide whether they can see the contents of the will. The above-mentioned rules are to ensure that the will is made with due consideration and reflects the last will of the testator.

In the case of intestacy, the estate passes under predetermined rules known as intestate successions. The intestate succession is in the following order:

- Direct heirs in a descending line
- Spouse or registered partner

When there are none of the above, the intestate succession is in the following order:

- Parents and their direct heirs in a descending line
- Grandparents and their direct heirs in a descending line
- Great-grandparents and their direct heirs in a descending line with the exception that the great-grandparents' grandchild and their direct heirs in a descending line (deceased cousins) are not entitled to inheritance

Any relatives other than the abovementioned cannot inherit. If there are no abovementioned relatives and no will, the state inherits.

10.6 Probate

After the death of the testator, the beneficiary of the will must inform the heirs and other shareholders of the estate of the will. This has to be done either through a writ-server or in another verifiable way. The heirs and shareholders of the estate shall be presented with a verified copy of the will.

If the sole heir of the testator is the surviving spouse, then the secondary heirs mentioned in Section 10.5 will have to be informed of the will in the same manner as primary heirs and other shareholders of the estate. The state must be informed of the will in the same manner if the testator had no heirs.

If there are several beneficiaries of the will, the information delivered by one of these beneficiaries is binding for the others.

If an heir wishes to contest the will, he or she must bring a suit against the will within six months of receiving notice of the will. If the heir has accepted the will or has relinquished his or her rights to contest the will in a verifiable manner, the heir loses all rights to bring suit against the beneficiary of the will.

11. Estate tax treaties

11.1 Double taxation treaties

Finland has concluded double taxation agreements concerning taxes on inheritance with France (1958), the Netherlands (1954), Switzerland (1956) and the United States (1952).

In addition, Finland concluded double taxation agreements concerning taxes on inheritance and gifts with the other Nordic countries (Denmark, Iceland, Norway and Sweden) in 1989. Sweden and Norway have terminated the agreement as they no longer have gift or inheritance taxes.

The Nordic treaty largely follows the Organisation for Economic Co-operation and Development’s (OECD) 1982 Model Estate, Inheritance and Gift Tax Convention. The other treaties pre date the OECD model. However, the other treaties are also based on similar principles to the OECD model in the division of the taxing right between the contracting states. The US treaty deviates the most from the OECD model.

Under the US treaty, both the state of residence of the deceased person and the state of residence of the beneficiary have a taxing right. Each of the states must deduct in its taxation the tax paid in the other state with respect to property situated in that state.

Finland also has a tax treaty on gift taxes with Greece that was concluded in 1995. The Greece treaty requires that no gift tax be levied on real estate situated in one of the states and donated to the other state or a public body of it, for purposes of public interest.