Expense: Travel Allowance Configuration Guide – Finland

Last updated: August 13, 2019

Revision History

Date	Revision Notes/Comments
August 10, 2022	Minor changes to align with current style guidelines and best practices.
January 21, 2022	Updated the copyright year; no other changes; cover date not updated
February 4, 2020	Updated the copyright; no other changes; cover date not updated
August 13, 2019	Updated the title and date on the cover page
February 15, 2019	Updated the copyright; no other changes; cover date not updated
April 14 2018	Edited allowance location rules.
January 13 2018	Reinstated updates made in August and February 2017: **August 19 2017** Updated rate location and allowance determination to maintain legal compliance **February 17 2017** Per diem rate is now based on a 24-hour period starting on the departure of the traveler and no longer on a calendar day.
November 4 2017	Updated the *Provided Meals* section to match product functionality: breakfast is not considered a provided meal.
September 16 2017	Rolled back updates made in August and February 2017: **August 19 2017** Updated rate location and allowance determination to maintain legal compliance **February 17 2017** Per diem rate is now based on a 24-hour period starting on the departure of the traveler and no longer on a calendar day.
August 19 2017	Updated rate location and allowance determination to maintain legal compliance
February 17 2017	Per diem rate is now based on a 24-hour period starting on the departure of the traveler and no longer on a calendar day.
January 17 2017	Changed copyright; no other content changes.
February 19 2016	Added new option to support tracking of recurring visits to the same location in order to determine employee taxability
June 13 2014	General updates in ConfigImporter (trx_type 500)
December 28 2012	Made rebranding and/or copyright changes; no content changes
August 12 2011	Added information about External URL and External URL's Text fields to the TA Configuration page
December 14 2009	Changed the name of the *Travel Allowance* chapter to the *Expense: Travel Allowance Setup Guide*
October 16 2009	Single row itinerary check can now be used in the current user interface
August 28 for the September 18 2009 release	Added information about the new **Display Quick Itinerary Wizard** option on the **Edit Travel Allowance Configuration** page in Expense Configuration Administrator

Date	Revision Notes/Comments
December 24 2008	The options on the **Edit Travel Allowance Configuration** page in Expense Configuration Administrator were rearranged into a more logical order. The options in *Configuration Options* in this guide were rearranged to match. Functionality has not changed.
August 1 2008	Initial publication for Concur Travel & Expense

Table of Contents

Chapter 1: General Information

NOTE: Multiple SAP Concur product versions and UI themes are available, so this content might contain images or procedures that do not precisely match your implementation. For example, when SAP Fiori UI themes are implemented, home page navigation is consolidated under the SAP Concur Home menu.

A company may reimburse its employees' travel expenses according to a schedule of set reimbursement rates, commonly known as "per diem" or "travel allowance" rates. The rates are determined by governmental and company policies and may differ depending on location and length of travel as well as partial days of travel, seasonal travel, and so on. Travel allowances apply to meals (which usually includes incidentals) and lodging expenses. Travel allowances do not apply to expenses such as car rentals, airline tickets, seminars, and so on.

There are two types of travel allowances: fixed and reimbursable.

Fixed Allowances

With a ***fixed*** type of travel allowance, the employee is reimbursed the fixed rate regardless of the actual amount of expenses. For example, assume that the fixed rate for meals (including incidentals) is 55.00 EUR per day.

- If the employee spends less than 55.00 EUR per day, the employee keeps the difference.

- If the employee spends more than 55.00 EUR per day, the employee is responsible for paying the difference.

Since the employee is paid the amount regardless of the actual expense, the employee does not enter actual expenses into Concur Expense or collect receipts. The system creates the fixed-amount expenses based on location and duration information that the employee provides by preparing an itinerary.

Reimbursable Allowances

With a ***reimbursable*** type of travel allowance, there is a schedule of reimbursement rates but the employee may or may not be paid the reimbursement rate.

The employee enters the actual expense into Concur Expense and the system compares the actual expense amount to the rate (limit). Then:

- If the actual expense is *less than or equal to* the limit amount, the company reimburses the employee for the actual expense amount.

- If the actual expense is *greater than* the limit amount, the company may reimburse the employee for the actual expense amount or perhaps only up to the limit amount.

    - If policy dictates that the employee is reimbursed the amount of the actual expense, then the company pays the employee the full amount of the expense but also keeps track of the amount that is over the limit. In some cases, the

amount paid to the employee that is over the limit becomes taxable to the employee. In other cases, the amount that is over the limit may not be billable to the client and may be charged as company overhead.

- ♦ If company policy dictates that the employee is reimbursed only up to the limit, then the employee is responsible for any amount above the limit.

Additional Definitions and Descriptions

For additional information about travel allowances and the options for configuring the travel allowance pages in Expense, refer to the *Expense: Travel Allowance Setup Guide*.

For additional information about the Travel Allowance Import, refer to the *Travel Allowance Import* chapter in the client-facing *Concur Expense - Import and Extract File Specifications*.

Chapter 2: Requirements

General

The Finnish travel allowance model compensates the employee for meals and incidentals and does not include lodging expenses (which are reimbursed at the actual expense amount). The system is based on the number of hours of travel for each day of the trip.

The typical method of reimbursement is fixed allowances for meals and actual expenses for lodging.

Definition of a Day of Travel

A day of travel is defined as a period of no more than 24 hours beginning from the time that the employee departs on a business trip from their workplace or home. A day of travel ends at 24 hours following departure, or when the employee returns from a business trip to their workplace or home. For example, if the traveler departs on day 1 at 4:00 P.M. then the first day of travel is the 24-hour period until the following calendar date at 4:00 P.M., when the second day of travel commences.

Allowance Location

The following are rules for determining the travel allowance location.

- The allowance location is based on the location where the day of travel ends, when the day of travel is a 24-hour period without regard to a calendar day.

- If the day of travel ends in transit and the user is leaving from an international country to Finland, the international country determines the rate. Instead, if the user is leaving Finland to an international country, the arrival international country determines the rate.

- For partial-day trips with total time less than 24 hours, allowance location is based on the last visited international location if there is a minimum of 10 hours of international travel.

- For the 24-hour day scenarios to work, the **use_end_of_24hour_day_scenarios** property must to be enabled.

Rates

The Finnish government publishes the meals allowance amounts on an annual basis for all domestic locations and specific international countries.

Lodging Allowance

The Finnish government does not define lodging allowances. Employees are expected to report and are reimbursed for actual expenses.

Meals Allowance

The basis for the meals allowance is that the traveler is entitled to an allowance for each 24-hour period from the time the trip starts until it ends. Rules for calculating the allowance amount for periods less than 24 hours are shown in the *Partial Days* section in this guide.

Multiple Trips on the Same Day

If multiple trips occur on the same day, each trip is calculated independently of the others based on the number of hours traveled for that trip and day.

Provided Meals

For any day of the trip during which the employee receives free meals or meals included in the price of a travel ticket or lodging, the maximum travel allowance shall be 50% of the allowance amount specified. "Free meals" means two free meals in the case of a full travel allowance and one free meal in the case of a partial travel allowance.

The allowance amount is reduced to 50% based on the nature of the trip (domestic or international) and the number of provided meals.

NOTE: Breakfast is not considered a provided meal. Only Lunch and Dinner are considered provided meals.

Allowance	Number of provided meals	Domestic Allowance	International Allowance
Full (10-24 hours)	1	100%	100%
	2	50%	50%
Partial (6-10 hours)	1	50%	100%
	2	50%	50%

NOTE: This rate data is provided as sample only and should always be verified against the current government regulations.

Partial Days

Partial days are handled differently based on whether they are the first or last day of the trip.

Trips Less Than 24 Hours in Duration

A trip that is less than 24 hours in total duration receives an allowance calculated on the number of hours duration for the entire trip.

NOTE: This rate data is provided as sample only and should always be verified against the current government regulations.

Domestic

Duration	Expression	Amount
10 up to 24 hours	10 < *hours* <= 24	30.00 EUR (full allowance)
6 up to 10 hours	6 < *hours* <= 10	14.00 EUR (partial allowance)
Less than 6 hours	*hours* < =6	0

International

International rates are paid for trips that are at least 10 hours in an international location. If the trip is less than 10 hours, the rate used is the domestic rate for the duration period.

Duration	Expression	Amount
10 up to 24 hours	10 <= *hours* <24	Country-specific rate for full allowance
6 up to 10 hours	6 < *hours* <10	Domestic partial allowance
Less than 6 hours	*hours* < =6	0 (no allowance)

First Day of Trip Over 24 Hours in Duration

The first day of the trip has no special handling since the duration for the first day is calculated based on the 24-hour period following the commencement of the journey. The allowance in this case is the full or maximum allowance for the location.

Last Day of Trip Over 24 Hours in Duration

The last day of the trip is based on the number of hours for the day, based on the definition of a day in the *Definition of a Day of Travel* section in this document.

Duration	Expression	Domestic Amount	International Amount
10 up to 24 hours	10 < *hours* <24	30.00 EUR (full allowance)	full allowance
6 up to 10 hours	6 < *hours* <=10	30.00 EUR (full allowance)	50% of full allowance

2 up to 6 hours	$2 <= hours <= 6$	14.00 EUR (partial allowance)	50% of full allowance
Less than 2 hours	$hours < 2$	0	0

NOTE: This rate data is provided as a sample only and should always be verified against the current government regulations.

Night Travel

The employee is entitled to an additional allowance for night travel *if*:

- At least 4 hours (during a day of travel for which the employee is entitled to a travel allowance) are between the hours of 9:00 P.M. and 7:00 A.M.
  - *and* -

- There is no reimbursement for accommodation or for a sleeping car berth, and the employer does not arrange any free accommodation for the employee.

This option uses the standard overnight functionality within Concur Expense and re-labels the column **Night Allowance**. The user would check the box to receive the night allowance.

Meal Money Outside of Travel

Meal money outside of travel is not addressed in Concur Expense.

Chapter 3: System Calculation Logic

Fixed Meals

The calculation is based on the following information: date, rate location, travel allowance type, and provided meals indicators.

NOTE: Values in this calculation that are based on values set in a system calculation property are followed by the property name in brackets: [Example]

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1. The system determines the number of hours traveled on the day in question. If this is **not** the first or last day of travel, the system sets the number of hours used to calculate the meals allowance to a full day, which is 24 hours.

    ♦ **First Day:** The system uses the trip start date and time to define the start hour of the 24-hour period of a day.

      • If the total duration of the trip equals or exceeds 24 hours, the system sets the first day to 24 hours.

      • If the total duration of the trip is less than 24 hours, the system sets the first day to the total duration of the trip (in hours). In this case, the allowance date used is the first calendar date in the 24-hour period.

    ♦ **Last Day:** If the trip is a multiple-date trip and exceeds 24 hours in total duration, the system calculates the number of hours for the last date. The system uses the trip start time to define the start of the last day and trip end time to define the end of the last day.

      • To determine the number of hours on the last day, the system divides the total number of hours in the trip by 24 to obtain the remainder.

      • When calculating the number of hours for the last day, the system converts the departure and arrival times to GMT to determine the actual number of hours elapsed.

2. The system determines the calculated rate for the day. It uses the number of hours traveled on the date in question (determined in step 1) and looks up the applicable rate for the rate location in the rate tables. This is the calculated rate. The calculated rate is now adjusted according to the following:

    ♦ **Single-day trips:** If the total duration of the trip is less than 24 hours, it is considered a single-day trip.

      • If the total duration of the trip is less than or equal to 6 hours [trip_duration_min_hours], then no allowance is granted.

      • If an international rate is determined for the trip and the duration is greater than 6 hours and less than 10 hours, then a partial-day allowance is calculated. If a domestic rate is determined for the trip and the duration is greater than 6 hours and less than or equal to 10 hours, then a partial-day allowance is calculated.

      • If an international rate is determined for the trip and if the total duration of the trip is greater than or equal to 10 hours [trip_duration_hours], then a full

allowance is calculated. If a domestic rate is determined for the trip and if the total duration of the trip is greater than 10 hours [trip_duration_hours], then a full allowance is granted.

♦ **Partial days (last day of trip):** The allowance rates use the time bands defined in the system and the number of hours of travel for the day.

♦ **Provided Meals:** Count the number of provided meals for the date.

- **Domestic:** If provided meals > 1 AND calculated rate = full allowance, then reduce the rate by 50%. If provided meals > 0 AND calculated rate < 24 hour rate, then reduce the rate by 50% [domestic_provided_meals_factor].

- **International:** If provided meals > 1 then reduce the rate by 50% [international_provided_meals_factor].

♦ **Night Travel:** If the traveler indicates that they should receive a night travel allowance, the system adds the night travel allowance amount to the calculated rate if the day meets the night travel allowance requirements.

Itinerary Duration Logic

Under most circumstances, the above logic will produce correct results. However, it is possible to have a travel allowance itinerary span more calendar days than the total itinerary duration will allow. The following example illustrates the problem.

> The traveler departs on a Monday at 11:00 P.M. and arrives at their destination on Tuesday at 1:00 A.M. The traveler's return trip begins on Wednesday at 11:00 P.M. and ends on Thursday at 1:00 A.M.

In this example, the itinerary spans four calendar days (Monday through Thursday) so a total of four travel allowance day records will be generated. The actual itinerary duration is only 50 hours. Based on the requirements of the *Fixed Meals* calculation above, the first day of a multi-day itinerary has 24 hours allocated to it. So, the following allocation of hours is made:

- Monday = 24 hours

- Tuesday = 24 hours

- Wednesday = 2 hours

- Thursday = 0 hours

In order to prevent over-paying the meals allowance, Wednesday becomes the effective last day of the trip for rate calculation purposes. Thursday will automatically get no allowance.

Chapter 4: System Calculation Properties

Country-specific calculation properties are stored in the CT_TA_CALC_METHOD_PROPERTY table. ***These properties are initialization data; therefore, these values are not imported via the Travel Allowance Importer.*** These properties are used for all Finnish travel allowance calculations. They cannot be set differently for different travel allowance configurations sharing the Finnish calculation method.

The following properties are used for Finnish rules:

Name	Value	Description
trip_duration_min_hours	6	Minimum hours in a single day trip for the trip to qualify for a partial travel allowance (integer between 0 and 23); Must be less than *trip_duration_hours*
trip_duration_hours	10	Minimum hours in a single day trip for the trip to qualify for a full travel allowance (integer between 0 and 23); Must be greater than *trip_duration_min_hours*
domestic_provided_meals_factor	50	Percentage factor applied to meals allowance for domestic provided meals (percent)
International_provided_meals_factor	50	Percentage factor applied to meals allowance for international provided meals (percent)
use_end_of_24hour_day_scenarios	N	Use End of 24-hour Day Scenarios

Chapter 5: Configuration Options

These country-specific configuration options are presented in the same order and with the same record type (trx_type) numbers as in the client-facing *Travel Allowance Import* chapter of the client-facing Concur Expense - Import and Extract File Specifications.

Finnish rules require very specific configuration and rate settings.

The partial-day requirements, while similar, are different from the last day calculation requirements. To properly handle both, the system must be configured in a particular way.

Partial-day calculations are based on property settings (refer to System Calculation Properties) and uses the custom_rate field provided in the rate importer record (record type 300).

Last day calculations are based on time band rates.

- CT_TA_TIME_BAND records must be created by setting rate_feed_time_bands field in record type 100 for the following:

Time band (minutes)	Description
0	0 – 2 hours
120	2 – 6 hours
361	6 – 10 hours
601	10 – 24 hours

- Record type 200 records must be created/imported for each rate location for the above bands.

SettingsImporter (trx_type 100)

The calc_method_code = FINNISH.

The rate_feed_time_bands field must be set to 0-120-361-601 for the last day of the trip.

Travel Allowance *REQUIRED* Rates	
The settings below for the 100 record represent the <u>typical</u> settings for Finland and must be reviewed to ensure they are correct for a given client's needs.	
lodging_rate_required	N
overnight_rate_required	N (Yes if using night travel allowance)
meals_rate_required	Y
incidentals_rate_required	N
breakfast_deduction_required	N
lunch_deduction_required	N
dinner_deduction_required	N

Travel Allowance *REQUIRED* Rates	
The settings below for the 100 record represent the *typical* settings for Finland and must be reviewed to ensure they are correct for a given client's needs.	
breakfast_bik_deduction_required	N
lunch_bik_deduction_required	N
dinner_bik_deduction_required	N
custom_rate_required	Y

TimeBandRateImporter (trx_type 200)

Finnish rules require these records for last day calculations. A record should be included for every time band for each rate location (300 record).

Example:

```
200,TB1,0,0
200,TB1,120,14
200,TB1,361,30
200,TB1,601,30
300,FI,,,EUR,G,20060101,,,,30,,,,,,,,14,TB1
```

RateImporter (trx_type 300)

The custom_rate field contains the partial day rate.

The overnight field contains the night travel allowance rate.

ExpiredRateImporter (trx_type 310)

There are no special requirements for this country.

RateLocationMapImporter (trx_type 400)

There are no special requirements for this country.

ConfigImporter (trx_type 500)

After the initial import, the configuration can be modified via import or using **Administration** > **Expense Admin** > **Travel Allowance** (left menu), on the **Configurations** tab.

The table below describes the options specific to this country. Note the following:

- The field descriptions are not shown here. Refer to the *Expense: Travel Allowance Setup Guide*.

- The **Field** column below shows the field name as it appears and in the same order as on the **Modify Travel Allowance Configuration** page in **Administration** > **Expense Admin** > **Travel Allowance** (left menu), on the **Configurations** tab as well as in the *Expense: Travel Allowance Setup Guide*.

Field	Country Specific Notes
General Options	
Configuration Name	Client preference
Configuration Code	Client preference
Calculation Method Code	As described in the *SettingsImporter (trx_type 100)* section of this guide
Rate Feed Code	Set based on client preferences
Government and Company Rates Types	Typical setting is *Government*
External URL	Optional link to open a new browser window displaying this site
External URL's text	Text label to display for the optional URL link
Meals Type Lodging Type	Typical Finnish setting for meals is *Fixed* Lodging must be set to *None*
Display Wizard	Set based on client preferences
Wizard Prompt Text	Optional text for the display wizard prompt to the user, when Display Wizard is set to Prompt. This will be used in place of the standard Concur text.
Same Day	The Finnish government specifies *Separate*; *None* is also allowed
Exchange Rate Day	Default is *Expense Day*; change if requested by the client
Over Limit Distribution Method	Default is *Prorate over all expenses*; change if requested by the client
Single Row Itinerary Check	Activates a system audit rule that prevents the submission of an itinerary with only one row
Use Overnight	Typical setting is Yes (check box selected) This is used for Night travel allowance for Finland and the usual Overnight logic is not supported for Finland.
Use System Exception	Set based on client preferences
User Entry of Extended Trip	Typical setting is No (check box cleared) This option is not defined by the Finnish government rules. This user-entered extended trip functionality can be used with the Finland module if the appropriate records are added to the system calculation properties for the country.
Display Quick Itinerary Wizard	Set based on client preferences
Rate Options	
Combine Meals and Lodging Rates	**Must** be set to No (check box cleared); not supported for Finnish rules

Field	Country Specific Notes
Display Base Meals Rate	Set based on client preferences
Display Base Meals Rate In Rate Currency	(Feature not yet available)
Display Company and Government Limit Comparison	Set based on client preferences
User Entry of Rate Location	Typical setting is No (check box cleared)
Meals Options	
Meals Deduction List	**Must** be set to Not used; not supported for Finnish rules
Deduct for Provided Meals - Breakfast Deduct for Provided Meals - Lunch Deduct for Provided Meals - Dinner	Typical setting is Yes (check box selected) for all three
Default Breakfast to Provided	Typical setting is Yes (check box selected)
Default Lunch to Provided	Set based on client preferences
Default Dinner to Provided	Set based on client preferences
Itemize Fixed Meals	Typical setting is No (check box cleared)
Country-specific Options	
Use Border Cross Time	**Must** be set to No (check box cleared); not supported for Finnish rules
Use Lodging Type	**Must** be set to No (check box cleared); not supported for Finnish rules
Use Percent Rule	**Must** be set to No (check box cleared); not supported for Finnish rules
Use Short Distance	**Must** be set to No (check box cleared); not supported for Finnish rules
Use Address List	Set based on client preferences To pay an allowance even when that allowance is consider a taxable benefit, set to Yes (check box selected); otherwise, to pay no allowance when that allowance would be deemed taxable, do not select (check box cleared) this option.
Use Trip Length List	**Must** be set to No (check box cleared); not supported for Finnish rules
User Entry of Breakfast Amount	**Must** be set to No (check box cleared); not supported for Finnish rules
User Entry of Meals Amount	**Must** be set to No (check box cleared); not supported for Finnish rules
User Entry of Within Municipality	**Must** be set to No (check box cleared); not supported for Finnish rules
Create itinerary rows based on air	Set based on client preferences

ConfigMapImporter (trx_type 600)

There are no special requirements for this country.

DeductPercentImporter (trx_type 700)

Not used for Finnish rules.

DeductAmountImporter (trx_type 800)

Not used for Finnish rules.

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