

# Estonian taxes (amounts and rates) in 2021 3/4/21

We offer an overview of current tax rates in Estonia in 2021.

## Value added tax

Threshold for VAT registration		
Taxable supplies per year	EUR	40,000
Cross-border digital services	EUR	10,000

## Income tax

Fixed rate (charged on income of individuals and non-residents)	%	20
Corporate tax rate on entities' taxable income (dividends, gifts)	%	20/80
Reduced corporate tax rate on regular distribution of profit	%	14/86
Exempt personal minimum per calendar year		
- income of up to EUR 14,400	EUR	6,000
- income of EUR 14,400-25,000		6,000 – 6,000 / 10,800 x (income – 14,400)
- income over EUR 25,000		0
Parent allowance per year		
- for second child	EUR	1,848
- for third and each subsequent child	EUR	3,048
Exempt childbirth benefit for employee (single payment that may be made by employer)	EUR	2,500
Total annual allowance for home loan interest, education and medical expenses	EUR	1,200 (incl. EUR 300 of loan interest, not to exceed 50% of income)
Exempt contributions to tier 3 pension	EUR	6,000 (capped at 15% of income)

## Social tax

Rate	%	33
Taxable income	EUR	584
Minimum employer liability	EUR	192.72

## Social insurance contributions

Employer contributions for unemployment	%	0.8
Employee contributions for unemployment (deducted by employer)	%	1.6
Mandatory contributions to tier 2 pension (funded pension)	%	2

# Wages and fringe benefits

Minimum wage	EUR	584
Minimum hourly rate	EUR	3.48
Foreign business trip exempt daily allowance (up to 15 days a month)	EUR	50
Private car use for business purposes	EUR	0.30/km (capped at EUR 335 a month)