

Nordicom is a centre for Nordic media research at the University of Gothenburg, supported by the Nordic Council of Ministers.

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## Media VAT in the Nordic countries – similarities and differences

**Only news media have reduced VAT in all Nordic countries. While Denmark has standard VAT for all media except newspapers, Iceland has reduced VAT for virtually all paid media. Norway stands out by applying VAT exemptions to the largest extent. In this fact sheet, Nordicom maps the situation for media VAT in the five Nordic countries.**

State media subsidies, aiming to strengthen democracy and freedom of speech, can be direct or indirect. While direct media subsidies go through the state budget, indirect subsidies – which this fact sheet is about – are regulated through national VAT legislation. National acts must be harmonised with the EU VAT Directive. For the non-EU members Norway and Iceland, VAT rules are approved by the EFTA Surveillance Authority (ESA).

### News media have reduced VAT throughout the Nordic region

The only media with a reduced VAT level in all five Nordic countries are paid-for news media, that is, printed newspapers and digital equivalents. In Norway, with a VAT exemption on news media, the definition is more far-reaching, including also TV news channels and in-depth journalism (the latter of which can embrace continuous digital periodicals).

Finland, Iceland and Sweden apply reduced VAT rates of 10, 11 and 6 per cent, respectively, while in Norway news media are VAT exempt. In Denmark, newspapers are VAT exempt, but must pay a fee calculated on revenue from newspaper sales.

In addition to news media, Finland, Iceland, Norway and Sweden apply reduced VAT rates on books and periodicals and magazines (in Norway periodicals only).

Moreover, Finland, Iceland and Norway have reduced VAT rates on cinema tickets. Iceland makes a difference between domestic films that are VAT exempt, and foreign films with a standard VAT rate. Sweden, which abolished the cinema VAT reduction in 2017, has, together with Denmark, a standard VAT rate for all cinema tickets.

Iceland alone has a reduced VAT rate on streaming services and computer games.

### Norway first to reduce digital VAT

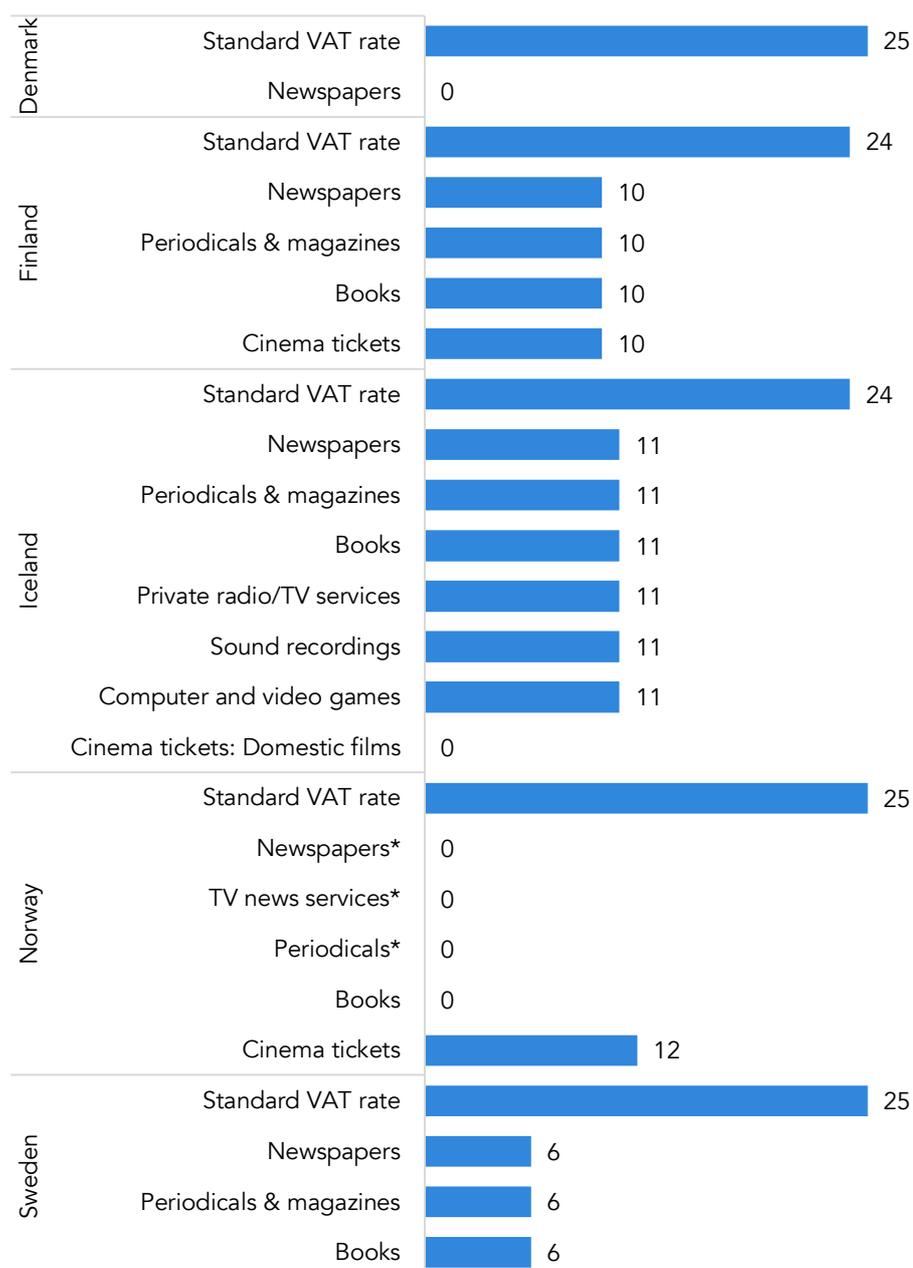
In March 2016, Norway became the first Nordic country to lower the VAT on digital news, followed by Iceland in July 2018. Denmark, Finland and Sweden – the three Nordic EU members – reduced or abolished the digital media VAT in July 2019.

This was after – following a review of the VAT directive – the EU gave the go-ahead for equivalent VAT on printed and digital (electronic) publications in November 2018. Following the EU's green light, the governments in Denmark, Finland and Sweden quickly proposed applying the same VAT reductions (zero VAT in Denmark) to both printed and digital publications. In Spring 2019, decisions were taken: the VAT laws were revised, and on 1 July 2019, amendments came into force in the three countries.

The most recent change regarding media VAT in the Nordic region was in Norway in July 2020, when newspapers' VAT exemption was extended to also apply to in-depth journalism.

Below, the graph and country descriptions show more information about the media VAT country by country.

**VAT** Media sectors with reduced value added tax (VAT) rate in the Nordic countries, 2021 (Jan.)



Note: Reduced VAT-rate for newspapers, periodicals, magazines and books refer to printed and digital (electronic) versions. The categories include stand-alone digital media.

\* In Norway, a zero VAT rate on news media embraces newspapers (including in-depth journalism) and other electronic news services (such as TV news). Also periodicals (fagpresse) are VAT exempt, while consumer magazines (ukepresse) have full VAT rate.

Sources: Danish Customs and Tax Administration, Finnish Tax Administration/Statistics Finland, Directorate of Internal Revenue/Statistics Iceland, Skatteetaten/medianorway, Swedish Tax Agency.

### Find more information about media VAT in Nordicom's table database

[Download a more detailed graph plus tables on VAT rates 2000–2021 from Nordicom's table database](#) (filter Region by 'Nordic' and Media by 'Demographic/Economic Data').



## Denmark

In Denmark, there are no reduced VAT rates at all, only a standard VAT of 25 per cent. The standard VAT is applied to all media, except for newspapers, which are exempt from VAT. Newspapers must, however, pay 3.54 per cent of the newspaper sales value (lønsafgift). As of 1 July 2019, the same conditions apply to digital newspapers (elektronisk leveret avis).



## Finland

In Finland, newspapers, periodicals and magazines, books and cinema tickets have a reduced VAT rate of 10 per cent. Since 1 July 2019, the same reduced VAT rate applies to digital publications.

Previously, Finland had different VAT rates for subscriptions and single-copy sales of newspapers and magazines, with reduced VAT rates for subscriptions extending over at least one month and standard VAT rates for single copies. This changed on 1 July 2019, when the VAT rate for single copies was also reduced to 10 per cent. Until 2012, subscriptions to newspapers and magazines were exempt from VAT in Finland.



## Iceland

In Iceland, newspapers, periodicals and magazines, books and cinema tickets have a reduced VAT rate of 11 per cent. But unlike the other Nordic countries, reduced VAT also applies to private electronic media – sound recordings, radio and TV – as well as streaming services and computer games.

The reduced VAT rate for digital news services, magazines and books, together with streaming services and computer games, was introduced on 1 July 2018, one year ahead of the VAT reductions in the EU states.

A local Icelandic feature is that domestic films are exempt from VAT, while foreign films have a standard VAT rate. Until 2002, the same system applied to books.



## Norway

In Norway, newspapers and electronic news services, periodicals (fagpresse) and books are exempt from VAT, while cinema tickets have a reduced VAT rate of 12 per cent. Consumer magazines (ukepresse) are subject to the standard VAT rate of 25 per cent.

Norway abolished VAT on electronic news on 1 March 2016, after approval from ESA. Since then, electronic news services – that is, digital newspapers and other online news services, plus TV (and radio) paid-for news – are exempt from VAT, in line with printed newspapers. For example, the TV 2 News channel is VAT exempt.

On 1 July 2019, the VAT exemption was extended to digital versions of books and periodicals. However, the zero-VAT rate for periodicals was limited to digital editions of the printed journals or static numbered digital editions. In other words, their online services with continuous updates were carrying on with standard VAT level.

In February 2020, the government therefore proposed the VAT Act's definition of newspapers (aviser) to be extended from publications with a broad journalistic scope to also include publications with in-depth journalism (dybdejournalistikk) with a more specific scope. Since then, a periodical's continuous digital journalism can also be subject to zero VAT. The amendment came into force on 1 July 2020.

Read more (in Norwegian) about the delimitations in the [tax administration's statement](#) of principles on VAT exemption for in-depth journalism and in the [Norwegian trade press association's explanation](#) of how trade journals can get zero VAT.



## Sweden

In Sweden, newspapers, periodicals and magazines and books have a reduced VAT rate of 6 per cent. From 1 July 2019, the same reduced VAT rate applies to their digital counterparts. Cinema tickets previously had 6 per cent VAT, but as of 2017, they have a standard VAT rate.

## Sources: Links to national documents

Acts on VAT, information on rates of VAT from national tax administrations, press releases and other information from ministries, etc.

### Denmark

- [Act on Pay Roll Tax \(in Danish\): Lønsumsafgiftsloven](#)
- [Danish Customs and Tax Administration \(in Danish\): Beregning af lønsumsafgift, Metode 3](#)
- [Danish Ministry of Taxation \(in Danish\): Lønsumsafgift – Avgiftssatser](#)

### Finland

- [Act on VAT \(in Finnish\): Laki arvonlisäverolain 85 a §:n muuttamisesta \(15 March 2019\) \[Act on Changes of 85 a § in the VAT Act\]](#)
- [The Finnish Tax Administration: Rates of VAT](#)
- [The Finnish Tax Administration \(in Finnish\): Arvonlisäveroprosentit](#)
- [The Finnish Tax Administration \(in Finnish\): Kirjojen ja lehtien arvonlisäverotuksesta \[About VAT taxing of books and newspapers\]](#)

### Iceland

- [Act on VAT \(in Icelandic\): Lög um virðisaukaskatt, 1988 nr. 50 \(incl. changes\)](#)
- [Iceland Revenue and Customs: Value Added Tax](#)

### Norway

- [Act on VAT \(in Norwegian\): Lov om merverdiavgift \(merverdiavgiftsloven\). LOV-2009-06-19-58 \(sist endret: LOV-2019-12-20-98 fra 01.01.2020\)](#)
- [EFTA Surveillance Authority \(ESA\) 25 January 2016: State Aid: New zero VAT rate for electronic news services approved](#)
- [Norwegian Tax Administration \(in Norwegian\): Merverdiavgiftshåndboken 2020](#)
- [Ministry of Finance and Ministry of Culture, 21 February 2020 \(in Norwegian\): Regjeringen har i dag sendt et forslag til merverdiavgiftsfritak for dybdejournalistikk på høring](#)
- [Ministry of Finance, 21 February 2020 \(in Norwegian\): Høring - Forslag om endring av merverdiavgiftsfritaket for aviser Høringsnotat: Endring av merverdiavgiftsfritak for aviser \(PDF 547 KB\)](#)
- [Ministry of Culture, 12 May 2020 \(in Norwegian\): Revidert nasjonalbudsjett. Nullmoms for dybdejournalistikk](#)
- [Ministry of Finance 26 June 2020 \(in Norwegian\): Regelendringer fra 1. juli 2020](#)

- [Norwegian Tax Administration, 29 June 2020 \(in Norwegian\): Prinsipputtalelse, Merverdiavgift – Fritak for dybdejournalistikk](#)
- [Fagpressen \(the Norwegian trade press association\) 29 January 2021 \(in Norwegian\): Hvordan skal fagmediene bruke digital nullmoms?](#)

#### **Sweden**

- [Act on VAT \(in Swedish\): Mervärdesskattelag \(1994:200\), ändrad t.o.m. SFS 2019:886](#)
- [Swedish Tax Agency \(in Swedish\): Momssats på varor och tjänster](#)
- [Ministry of Finance and Ministry of Culture, 14 March 2019 \(in Swedish\): Regeringen lämnar förslag om sänkt moms på e-publikationer till riksdagen](#)
- [Parliament Decision, 08 May 2019 \(in Swedish\): Extra ändringsbudget för 2019 - Sänkt moms på e-publikationer](#)

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The mapping of media VAT is done in cooperation with the the organisations in Nordicom's statistical network: Danish Ministry of Culture's Report on media development in Denmark, Statistics Finland, Statistics Iceland and medianorway.

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