

Claim for recovery of operating support for sole entrepreneurs

Decision

The Director of Economic Development decided to make a claim for recovery of the EUR 2,000 operating support for the stabilisation of the sole entrepreneur's financial situation, granted under the provisions of the Government decree on discretionary government transfers to municipalities intended for supporting sole entrepreneurs (199/2020), from the beneficiaries listed in Appendix 1.

The beneficiaries listed in Appendix 1 have been granted support for stabilisation of the sole entrepreneur's financial situation through two separate decisions. The claim for recovery of the excess support that has been granted will be carried out in such a manner that the decisions individualised in Appendix 1 will not be implemented, i.e. the support granted based on them will not be disbursed.

Grounds for the decision

Support granted for the stabilisation of the sole entrepreneur's financial situation

The Government has decided on the policy concerning government aid to municipalities for supporting sole entrepreneurs through a decree effective as of 9 April 2020 (199/2020). The decree is applied to the granting of government aid to municipalities for costs caused by the financial support granted to sole entrepreneurs for stabilisation of the financial situation temporarily weakened by the covid-19 epidemic. According to Section 7 of the decree, the Ministry of Economic Affairs and Employment is the government aid authority.

In Section 2 of the Government decree concerning government aid to municipalities for supporting sole entrepreneurs, sole entrepreneur means a full-time entrepreneur in Finland, who engages in economic activity alone, regardless of the legal form of activity or source of financing, who does not have employees on the payroll and who is insured under the self-employed persons' pension insurance (YEL) or can present an annual entrepreneurial income or invoicing of at least 20,000 euros.

According to the instructions by the Ministry of Economic Affairs and Employment, the support to sole entrepreneurs is granted individually to each entrepreneur. If the sole entrepreneur has several companies in which they are the sole employee, then support is granted to the company, which is the entrepreneur's main occupation. The support to sole entrepreneurs is a non-recurrent payment of EUR 2,000, which is intended to cover costs arising from the entrepreneur's business activities such as costs of premises and equipment purchased for business purposes, as well as accounting and other office expenses. The non-recurrent support may be used for any other costs except not to cover the entrepreneur's own salary.

Processing of the matter and claim for recovery

According to Section 6 of the Government decree concerning government aid to municipalities for supporting sole entrepreneurs, costs accepted for government aid are the fixed support sums of 2,000 euros granted by the municipalities to each sole entrepreneur who has applied for support. The recipients mentioned in Appendix 1 have applied for support for sole entrepreneurs from the city of Helsinki using two separate applications. On account of the applications, they have been granted EUR 4,000 in total as support for sole entrepreneurs through two separate decisions. As this is an entrepreneur-specific, non-recurrent support sum of 2,000 euros per entrepreneur, it means that excess support granted to the recipient will be claimed for recovery.

The decisions mentioned in Appendix 1 have established an agreement between the city of Helsinki and the recipient of the support in accordance with Section 7 (3) in the Act on Discretionary Government Transfers (688/2001), to which the conditions specified in the support application are applied. According to the conditions of the agreement between the city of Helsinki and the recipient of the support, the recipient must pay back excess support or erroneous or manifestly unfounded support without delay.

The city of Helsinki's financial management services has suspended the disbursement of excessive support that has been granted, which means that it has not been disbursed to the recipients mentioned in Appendix 1. The claim for recovery of the excess support that has been granted will be carried out in such a manner that the decisions individualised in Appendix 1 will not be implemented, i.e. the support granted based on them will not be disbursed.

Hearing of parties

The recipients mentioned in Appendix 1 have been reserved an opportunity to provide their explanation of filing two applications and, according to Section 34 in the Administrative Procedure Act, to express their opinion on the matter.

Appendices 3–11 include applicant-specific information about the decisions which are not being implemented, i.e. the support granted based on them will not be disbursed.

Instructions concerning claims for a revised decision, City Board