Price Unit Economic Statistics Department, Statistics Sweden

Managing the updated RUT tax deduction in the CPI

From 1 July 2019, the ceiling amount for RUT tax deduction (cleaning, maintenance and laundry) will be raised from SEK 25 000 to SEK 50 000 per person and year for persons under the age of 65 years. The CPI basket for 2019 includes three product groups whose consumption is subject to RUT tax deduction:

- cleaning services;
- moving services; and
- other household services.

The combined weight of these product groups in the CPI basket for 2019 is approximately 3.8 per mille (thousand).

Statistics Sweden will take into account the increased RUT tax deduction by multiplying the indices of the product groups listed above by an adjustment factor that describes the impact of a higher ceiling amount for RUT on consumer prices. The adjustment factor is produced by applying information from government reports on the anticipated impact of the changed RUT tax deduction, as well as data from Statistics Sweden's income and tax statistics.

The updated RUT tax deduction will apply in the CPI for July 2019, to be published on 14 August. The assessment is that the impact on the total CPI will be minor.

Enquiries

Emanuel Carlsson Tel +46 10 479 48 11 E-mail emanuel.carlsson@scb.se

