



### ***Taxation of corporation***

#### **Corporate tax**

- Tax payer

All companies resident in Switzerland

- Tax base

Global net income (after taxes) disclosed in the financial statements

- Tax loss

7 years tax loss carry forward

- Rate

3 levels of taxation :

- federal (8,5%);
- state (depends on cantonal tax legislation);
- local (% of state taxes)

ex.: Lugano(Tessin) :  $f(8,5\%)+s(9\%)+l(75\% \text{ of } s) = 24,25\%$

#### **Other profit tax**

none

#### **Property tax**

#### **Real estate and local property tax on real estate**

#### **Payroll tax**

none

#### **Social security contributions**

on salaries, the company has to pay 10,1%, half of which is borne by the employee pension fund contribution (mandatory): half borne by employee and represent about 15-20% of salaries

#### **Tax at source**

25% withholding tax on dividends



## European Tax Survey – Switzerland

**Country specific rules**



## ***Taxation of natural persons***

### **Income tax**

- Tax payer

All natural persons domiciled in Switzerland

- Tax base

Global income

### **deductions**

- various

### **tax allowance**

- children
- families
  
- Losses

For independent, 7 years loss carry forward

- Rate

3 levels: federal, state and local; all progressive rates

### **Other profit taxes**

### **Property tax**

State and local property tax on real estate

### **Wage tax**

### **Social security contributions**

- Payer

Previous year income, approx rate 9%

- Based on
  
- Payer



## European Tax Survey – Switzerland

- Based on
- Rate

### **Pay-as-you-earn deductions**

none

### **Wealth tax**

State and local tax; about 0,2% of assets

### **Death duty/gift tax**

- Payer  
inheritor
- Tax base  
Global wealth
- Rate  
0% for spouse and children



## European Tax Survey – Switzerland

### Tax sales

- Tax Payer

All registered companies and independent with a turnover of more than chf50'000.-

- Tax base

Total price of goods and charge for services

- Rate

Normal 7,6%