

EXPATRIATES

Switzerland

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE

A taxpayer who leaves Switzerland is liable for Swiss taxes (income and wealth) from January 1 until the departure date of that tax year.

Before leaving, foreign nationals must personally give notice to the community of residence of the intention to leave. It is usually at this time that any outstanding tax liabilities have to be paid. It is recommended that assistance from a tax professional is sought if tax matters have not been completed prior to departure.

BREAKING RESIDENCY - EXIT PROCEDURES

When de-registering in Switzerland, a tax return must be filed declaring all the income received up to the date of departure, as well as assets/wealth on the date of departure, unless the foreign national is subject to tax at source only.

If the leaver owns real estate in Switzerland, the annual tax filing obligation will continue in the canton where the property is located. The taxpayer will be considered as limited tax liable in Switzerland and will have to pay taxes on Swiss-sourced income and assets (the worldwide income and assets are considered for tax rate purposes only).

For any Swiss-sourced earnings paid after departure e.g. bonus payments, tax will be withheld from such payments directly. No further tax declarations are due in this situation.

INCOME TAX RATES

Canton	Taxable Income					Taxable Assets			
	100k	500k	1m	5m	10m	500k	1m	5m	10m
Aargau	12.38	29.12	32.23	34.04	34.26	0.29	0.33	0.42	0.43
Appenzell Ausserrhoden	15.14	29.55	30.74	30.74	30.74	0.39	0.40	0.41	0.41
Appenzell Innerrhoden	11.37	23.19	24.38	24.38	24.38	0.24	0.24	0.24	0.24
Basel Stadt	23.72	33.27	37.38	39.88	40.19	0.49	0.58	0.81	0.80
Basel-Landschaft	14.06	35.46	39.38	42.03	42.12	0.59	0.76	0.76	0.76
Bern	19.75	36.23	39.41	41.00	41.20	0.33	0.41	0.56	0.57
Freiburg	16.73	34.61	35.80	35.80	35.80	0.47	0.58	0.59	0.59
Genf	15.86	35.85	40.24	44.00	44.50	0.51	0.61	0.90	0.95
Glarus	13.95	28.88	31.48	31.48	31.48	0.35	0.35	0.35	0.35
Graubunden	13.12	29.20	31.73	32.18	32.18	0.30	0.32	0.32	0.32
Jura	17.52	34.81	37.81	39.26	39.44	0.35	0.41	0.53	0.55
Luzern	13.77	28.47	30.58	30.82	30.82	0.31	0.31	0.30	0.30
Neuenburg	18.36	35.77	37.37	37.95	38.03	0.52	0.68	0.68	0.68
Nidwalden	12.31	24.38	25.56	25.55	25.55	0.14	0.13	0.13	0.13
Obwalden	14.77	23.11	24.30	24.30	24.30	0.14	0.14	0.14	0.14
Schaffhausen	13.29	29.93	31.11	31.10	31.10	0.33	0.46	0.46	0.46
Schwyz	12.25	24.26	26.85	26.85	26.85	0.22	0.22	0.22	0.22
Solothurn	16.07	32.11	33.67	33.66	33.66	0.23	0.22	0.29	0.28
St. Gallen	15.38	32.07	33.26	33.26	33.26	0.44	0.44	0.44	0.44
Tessin	15.11	34.75	37.97	39.71	39.93	0.35	0.44	0.48	0.48
Thurgau	13.64	28.67	31.12	32.13	32.25	0.29	0.29	0.29	0.29
Uri	15.88	24.17	25.35	25.35	25.35	0.21	0.20	0.20	0.20
Vaud	18.76	38.56	41.50	41.50	41.50	0.53	0.65	0.77	0.78
Wallis	13.86	33.44	35.56	36.31	36.41	0.46	0.53	0.63	0.63
Zug	7.49	21.19	22.38	22.38	22.38	0.14	0.21	0.26	0.27
Zuerich	12.72	32.36	36.76	39.33	39.65	0.11	0.19	0.48	0.57

SOCIAL SECURITY RATES

Contributions to the Swiss social security system (pillar 1) will normally be paid out at the age of retirement. The Swiss Social Security Card should be kept safe as it is sometimes needed to provide to the Swiss Compensation Office in order to claim back a pension.

If desired, Swiss Social Security can be maintained while working abroad under specific circumstances (totalization agreement, voluntary continuation).

The accrued social security amount out of pillar 1 can only be paid out when the leaver is a national of a country which does not have a reciprocal social security agreement with Switzerland and is not moving to an EU State. If the social security fund can be paid out, the necessary form must be completed.

Pillar 2 (pension fund from Swiss employer) and pillar 3a (voluntary blocked account) can either be:

- Transferred to your new occupational/company pension fund (pension fund regulations permitting); or
- Transferred to a vested benefits account in Switzerland

These options are normally tax neutral.

Under specific conditions, pillar 2 benefits can be cashed (fully or partially) at departure. This usually triggers a tax.

For further information and to register for future updates contact expat@bdo.global

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