

DOING BUSINESS

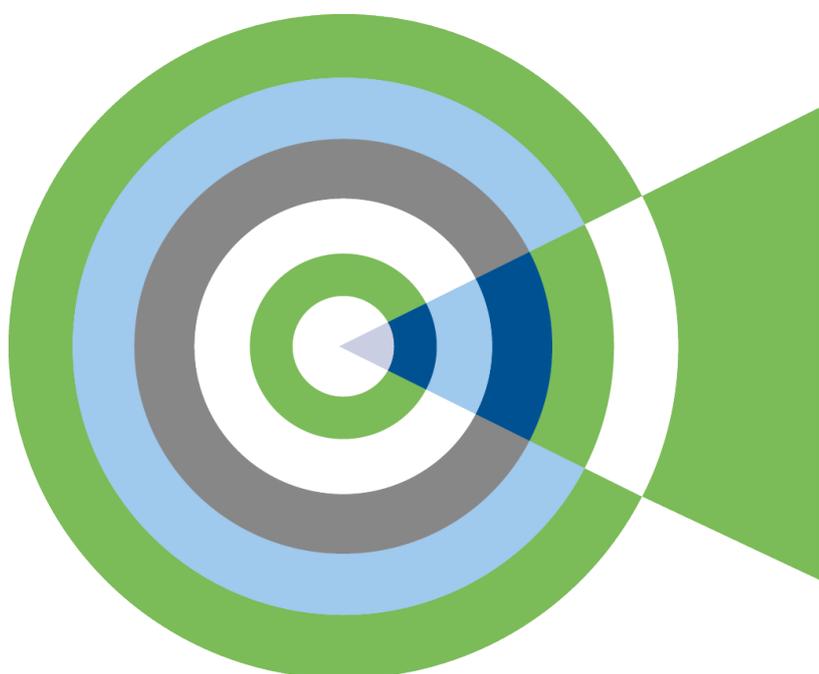
IN SWITZERLAND



The network
for doing
business

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1 – INTRODUCTION

UHY is an international organisation providing accountancy, business management and consultancy services through financial business centres in over 100 countries throughout the world.

Business partners work together through the network to conduct transnational operations for clients as well as offering specialist knowledge and experience within their own national borders. Global specialists in various industry and market sectors are also available for consultation.

This detailed report providing key issues and information for investors considering business operations in Switzerland has been provided by the office of UHY representatives:

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A detailed firm profile for UHY's representation in Switzerland can be found in section 8.

Information in the following pages has been updated so that they are effective at the date shown, but inevitably they are both general and subject to change and should be used for guidance only. For specific matters, investors are strongly advised to obtain further information and take professional advice before making any decisions. This publication is current at June 2023.

We look forward to helping you do business in Switzerland.

2 – BUSINESS ENVIRONMENT

Switzerland is an important centre for international business.

The factors listed below make it an especially attractive location for doing business.

CENTRAL LOCATION

Since the Middle Ages, Switzerland has played an active role in trade due to its geographically key position at the heart of Europe.

FREE ENTERPRISE ECONOMY

A business can only grow and develop when operating within a free enterprise environment. The Swiss economy is based on the principle of free enterprise. Freedom of trade and commerce has been guaranteed by the Swiss Constitution since 1847.

POLITICAL AND SOCIAL STABILITY

Ever since the foundation of the federal state, Switzerland has enjoyed uninterrupted political stability. This is evidenced by the pre-dominance of political parties which support the functioning of the market economy.

Even though the 8.7 million inhabitants of Switzerland belong to four different language groups and possess different cultural backgrounds, there is a high degree of tolerance and personal freedom. The strong relationships between employers and employees have provided an excellent social climate for decades, which has contributed to above average growth in the standard of living. Switzerland's policy of neutrality, to which the country is bound by its constitution, is an important factor in making Switzerland a good place in which to conduct business.

STRONG INTERNATIONAL LINKS OF THE SWISS ECONOMY

Due to the lack of any raw materials, as well as the impossibility of growing sufficient food for its population, Switzerland relies heavily on imports. On the other hand, Swiss industry produces goods of high quality and exports almost half of its production, and in some sectors more than 90% of goods. Excellent international relations also exist in tourism, telecommunications and the finance sector.

EFFICIENT CENTRE OF FINANCE

Switzerland is one of the leading and most efficient centres of finance in the world. Besides the local banks, international banks offer services such as foreign exchange, precious metals trading, asset management and underwriting. Interest rates are low when compared to other countries. This has a favourable impact on the attractiveness of doing business in Switzerland.

FACTS AND FIGURES ABOUT SWITZERLAND

Population:	8.57 million inhabitants (2019)
Area:	41,285 square kilometres
Population density:	213 inhabitants per square kilometre
Currency:	Swiss Francs (CHF)
Languages:	Swiss German, French, Italian and Romanic

3 – FOREIGN INVESTMENT

Switzerland offers ideal operating conditions for a foreign company.

Switzerland has liberal and business-friendly legislation, political and financial stability, and first-class infrastructure, as well as a highly motivated and well-trained workforce.

The country ranks as one of the world's most important technology locations. Leading domestic companies and well-known foreign companies have chosen Switzerland as their location for research, development and production activities in the following sectors:

- Bio/medical technology
- Information technology
- Telecommunications
- Pharmaceuticals and chemicals.

The high quality of the Swiss education system guarantees the competence and know-how found in the labour market, and provides a strong incentive for foreign managers and their families to relocate to Switzerland. The quality of research programmes is recognised worldwide.

Switzerland is also a prime location for international headquarters and management centres. Successful multinationals from all over the world have moved to Switzerland over the past few years, recognising that it is an ideal location from which to cover the European market.

Switzerland's international banking system and the multilingual capabilities of its professionals and academics, lay the foundations for a supportive and dynamic international environment.

4 – SETTING UP A BUSINESS

Swiss company law is part of the Swiss Code of Obligations.

The following sections describe some of the commonly used and most widespread forms of business organisation.

TYPES OF COMPANY

SOLE PROPRIETOR ("EINZELUNTERNEHMEN")

This type of business is carried out by a sole proprietor and has to be registered in the commercial register if it produces at least CHF 100,000 gross income per year. It is not a legal entity (i.e. the proprietor is personally liable for his/her business without any limitation) and the proprietor is subject to taxation. This form of business organisation is commonly used for smaller enterprises.

SIMPLE PARTNERSHIP ("EINFACHE GESELLSCHAFT")

A simple partnership is based on a contract of association between two or more partners and is a very loose formation without being a legal entity. Each partner is individually subject to taxation rather than the partnership itself. For business debts, each partner is personally liable with his/her own private assets. A simple partnership cannot be entered into the commercial register. This form of business organisation is often used for activities of short duration or for specific projects only (e.g. consortia or joint ventures).

COMMERCIAL PARTNERSHIP ("KOLLEKTIVGESELLSCHAFT")

To form a commercial partnership, two or more individuals enter into a contract of association in order to operate an enterprise based on commercial principles. A commercial partnership has a trade name and must be registered in the commercial register. Although it can acquire rights, incur liabilities, take legal action and be sued, the commercial partnership is not in itself a legal entity. Liability for debts is not limited to the capital of the partnership but is extended to the private assets of the partners in the form of joint and several liabilities. This form of business organisation can only be set up by individuals.

LIMITED PARTNERSHIP ("KOMMANDITGESELLSCHAFT")

A limited partnership has two kinds of partners – one must be liable for the business without any limitation, while others are only liable to the extent of their capital contribution. Only individuals can be partners with unlimited liability, whereas partners with limited liability may also be legal entities, such as corporations. Since the limited partnership is derived from the commercial partnership, other characteristics (such as rights and duties) are the same as described in the section above.

LIMITED LIABILITY COMPANY ("GMBH")

A limited liability company is a legal entity with fixed capital. The minimum capital is CHF 20,000 and this has to be fully paid in cash or in kind. For the formation of a limited liability company, one founder is required. Each partner (individual or company) participates with a capital contribution (minimum an amount greater than 0 per share, in CHF or in a foreign currency, for further details see also section "Corporation ("AG")") and they must each have a name and domicile registered in the commercial register.

The management and representation of the company may be transferred to people who are not partners, but at least one of the managing officers must be domiciled in Switzerland. All partners and managers may be non-Swiss citizens.

In terms of auditing, the limited liability company is treated in the same way as the corporation.

CORPORATION ("AG")

The most common form of a company in Switzerland is the corporation. Because of the ease in which shares can be transferred, it is a very flexible form of business organisation. In most cases, foreign investors choose the corporation as the vehicle for their enterprise.

To reflect the importance of this type of entity, the regulations regarding corporations are outlined below.

FORMATION AND ADMINISTRATION OF CORPORATIONS

COMPANY NAME

The company name of a corporation is protected by law. It must therefore be distinguishable from the names of other corporations and limited liability companies already existing in Switzerland. The name must not be misleading as to the company's commercial activity. Any national, regional or territorial designation can be used only if permitted by the federal commercial register. Within these limits, the choice of the company name is open. However, it is advisable to have the intended name checked by the authorities before the corporation is actually formed. The legal form has to be specified by adding the abbreviation for a corporation – 'AG', 'SA' or 'Ltd.'.

SHARE CAPITAL AND SHARES

The minimum capital for a corporation is CHF 100,000 or equal in a foreign currency: The share capital may be set in one of the approved foreign currency (i.e. currently only euros, pound sterling, dollars or yen). Companies with share capital in a foreign currency will have to keep accounts and file financial reports in the same currency. However, for Swiss tax purposes the accounts have to be converted into CHF at year end. At least 20% of the nominal value of each share, but not less than CHF 50,000 has to be paid (in cash or in kind) prior to incorporation (if the share capital is set in a foreign currency, the contributions made must be equivalent to at least CHF 50,000 at the time of incorporation).

The nominal value of a share must be greater than 0. Due to transparency regulations effective since 1 November 2019, new corporations may issue registered shares only. Bearer shares remain permitted for corporations listed on the stock exchange. The company must maintain a share ledger for registered shares as well as a ledger for certain beneficial owners (qualified stake). The transferability of registered shares can be restricted, provided that the legal regulations are met.

ARTICLES OF INCORPORATION (STATUTES)

The statutes must contain various provisions prescribed by law. These include:

- Details of the company name and domicile
- The purpose of the corporation
- The share capital and contributions made thereto
- The number, the par value and the type of shares

- The calling of the general meeting of shareholders and the voting rights of the shareholders
- Arrangements for the administration and the audit

Additional items/clauses can also be adopted.

CORPORATE BODIES

There are three bodies in a corporation – namely the general meeting of shareholders (the supreme body), the board of directors and the auditors.

The ordinary general meeting of shareholders is called every year, within six months of the financial year end. It has the following powers which are inalienable:

- The adoption and amendment of the articles of incorporation
- The election of members of the board of directors and of the auditors
- The approval of the annual report and of the consolidated statements of account
- The approval of annual financial statements as well as resolutions on the use of the disposable profit, in particular, the declaration of dividends
- The removal of members of the board of directors
- The passing of all resolutions on matters which, by law or by the articles of incorporation, are reserved to the general meeting of shareholders.

Extraordinary general meetings of shareholders may be requested by the board of directors or, if the statutory requirements are met, by the shareholders or the auditor.

General meetings may be held virtually if so allowed by the articles of association and if the board of directors has designated an independent representative while calling the general meeting. Shareholders which are unable to attend the general meeting may vote electronically. General meetings may be held simultaneously in several locations (in Switzerland and/or abroad) provided that speeches are broadcast live, by audio-visual means, in each concurrent general meeting venue. If held abroad, the board of directors must designate an independent representative, whereas shareholders of non-listed companies may unanimously waive such a requirement. In addition, resolutions of the shareholders can also be adopted by way of circulation, unless an oral discussion is required by one of them.

The board of directors (the executive body) is composed of one or more members. They do not have to be shareholders. In general, the board of directors can take decisions on all matters that by law or by the articles of incorporation are not allocated to the general meeting of shareholders. The corporation must be represented by at least one person domiciled in Switzerland. This person either acts as a member of the board or as director of the company, each with authority to sign solely. Some duties of the board of directors are fixed by law as non-transferable and inalienable, and essentially comprise the supreme management and supervisory functions. The board of directors can be authorised by the articles of incorporation to delegate the management fully or partially to individual members or third parties i.e. natural persons, in accordance with special organisational regulations.

Auditors are elected by the general meeting of shareholders, unless the company has opted out from the requirement to perform a limited audit. Each auditor must be independent, qualified to fulfil their duties and licensed to offer audit services. In certain cases, they must meet special professional qualifications. Individuals, as well as commercial companies and co-operatives, are eligible as auditors. At least one auditor must have his/her domicile, registered office, or a registered branch office in Switzerland.

INCORPORATION AND COSTS

For the formation of a corporation, at least one founder (individual or company) is required. He/she declares in a public deed, the formation of the corporation, by adopting the articles of incorporation and by appointing the necessary bodies (e.g. auditors and board of directors). Each founder participates by subscribing his/her number of shares.

Cash contributions must be deposited for the exclusive use of the company at an institution subject to Swiss Bank Law. If the contributions are made in kind or by acquisition of assets (qualified incorporations), additional conditions must be met. Among other requirements, a contract of contribution in kind or acquisition of assets has to be entered into and the founders need to provide a written founders' report. This report has to be examined by auditors, whose report has to approve the adequacy of the valuation of the assets brought in or taken over.

The corporation acquires the right of a legal entity only at the time of entry into the commercial register. At that time, the paid-in share capital is released by the bank and put at the disposal of the company. The share capital must not be paid back to the shareholders unless the corporation is liquidated.

Formation costs consist mainly of a 1% stamp duty on the issuance of shares levied on the contributions of shareholders exceeding CHF 1,000,000, and fees for professional/legal advice and for the public deed and the commercial register, as well as for a notice published in the Swiss Official Gazette of Commerce. The overall costs for a corporation with a share capital of CHF 100,000 are currently between CHF 4,000–10,000.

SWISS BRANCHES OF FOREIGN COMPANIES

Foreign companies may conduct business in Switzerland through a branch.

A branch must be registered in the commercial register of the canton where it is located and it may engage in all the same forms of business activity as a corporation. It must conform to Swiss law with regards to bookkeeping and the preparation of financial statements (see Section 7 – Accounting & Reporting).

It must be represented by at least one person who is domiciled in Switzerland. The branch can be sued in Switzerland for claims concerning its own business operations. It is taxable in Switzerland according to the rules of international tax allocation. As Switzerland has numerous double tax treaties with other countries, it is possible to avoid double taxation in most cases.

REORGANISATIONS

Mergers, de-mergers and transfer of assets between companies and company transformations are all regulated by the Swiss Merger Act.

Swiss merger law follows the principles of universal succession and continuity of membership. A transferring company in a merger will be dissolved, not liquidated. Under certain conditions, even companies in liquidation and those with negative retained earnings or net liabilities may be merged.

Cross-border reorganisations usually involve the transfer of the registered office, a merger, a de-merger or a transfer of assets. Under certain circumstances, a foreign company may, without liquidating and reincorporating, be directly transferred to Switzerland and a Swiss company may be transferred to a country abroad by submitting itself to a foreign law.

5 – LABOUR

SOCIAL SECURITY

Individuals working in Switzerland, either as an employee or if self-employed, are subject to additional charges for social security payments (e.g. for old age, disability and unemployment insurance).

The respective contributions, with the exception of the contribution for unemployment insurance, are charged on the total income earned in Switzerland. In addition, a total wealth tax is levied on individuals with no gainful activity.

Switzerland has social security agreements with numerous other countries. Before obtaining residence in Switzerland, a foreigner should have his/her social security situation carefully checked, especially if residence is only temporary.

RESIDENCE AND WORK PERMITS

Foreigners wishing to work in Switzerland require residence and work permits.

Initially, a residence permit is granted only on a temporary basis, usually for one year but with the possibility of extension. After five years of residence, a permit of permanent residence is usually granted.

BILATERAL AGREEMENTS BETWEEN SWITZERLAND AND THE EU

In December 1998, at a meeting in Vienna, sector-specific bilateral agreements between Switzerland and the EU were adopted. The agreements came into force on 1 June 2002 and cover seven areas:

- Air transport
- Land transport
- Free movement of persons
- Scientific and technological cooperation
- Government procurement
- Trade in agricultural products
- Mutual recognition in relation to conformity assessment.

FREE MOVEMENT OF PERSONS, SWITZERLAND – EU/EFTA

The right of free movement of Swiss / EU persons in accordance with the Free Movement of Persons Agreement is complemented by the mutual recognition of professional qualifications, by the right to buy property and by the coordination of social security systems. The same rules also apply to citizens of EFTA member states.

As a result of the EU's eastern European expansion on 1 May 2004, the agreement was supplemented by an additional protocol containing provisions for the gradual introduction of the free movement of persons in the ten new EU member states. The protocol came into force on 1 April 2006. In a referendum on 8 February 2009, the Swiss electorate approved the continuation of the Free Movement of Persons Agreement after 2009 and Protocol II for extending the Agreement to Romania and Bulgaria. The election results confirmed Switzerland's commitment to the Bilateral II agreements. The protocol came into force on 1 June 2009.

The Free Movement of Persons Agreement and its additional protocols lift restrictions on EU citizens wishing to live or work in Switzerland. The same rules apply to citizens of EFTA states.

Citizens of EFTA states have enjoyed free movement rights for several years already. In April 2014, the Swiss Federal Council abolished restrictions for EU-17 and EU-8 states. Citizens of these states currently are granted unrestricted free movement rights in case they have an employment in Switzerland or do not work in Switzerland but dispose of adequate funds. As of June 2016 the restrictions for Bulgaria and Romania were generally abolished as well. However, in May 2017 the Swiss Federal Council activated the safeguard clause, which allows Switzerland to reintroduce quotas for a specified period, if immigration exceeds a certain threshold. On 1 January 2017, the Free Movement of Persons Agreement was extended to Croatia. During the first implementation period, special transitory measures apply to Croatian nationals with regard to quotas and work permits.

SWISS IMMIGRATION REFERENDUM OF 9 FEBRUARY 2014

The federal popular initiative "against mass immigration" was adopted by a narrow majority of the electorate and a majority of the cantons on 9 February 2014. As a result of this referendum, as of July 2018 the Swiss Federal Council put an obligation into force that certain job vacancies need to be reported to the respective authorities. Swiss residents shall be privileged to be informed about such job vacancies.

WORK PERMITS FOR NON-EU/EFTA CITIZENS

The requirements to receive a work permit for non-EU/EFTA citizens are generally higher compared to EU/EFTA citizens. Only management staff, highly specialised professionals and other highly qualified professionals may apply for a work permit. Therefore, those people's qualification, adaptability, language skills as well as age shall lead to a successful, sustainable integration into the Swiss labour market and into the society.

6 – TAXATION

TAX SYSTEM

The tax system corresponds to Switzerland's federal structure.

Tax legislation operates at three levels – the federal, the cantonal and the communal level. The federation, 26 cantons and more than 2,700 communities have the right to levy taxes in accordance with their own laws (within their authority). To simplify the procedure, direct taxes for all three levels are usually levied by the cantons or by the communities, which means that only one tax return has to be filed for all three levels of direct taxation.

The federation is mainly financed through indirect taxes whilst the cantons and communities are mainly financed through direct taxes. Therefore, cantonal and communal income taxes are of more importance than direct federal tax. As the tax rates vary from canton to canton and from community to community, it is important to consider the choice of (business) location as an element of tax planning.

SIGNIFICANT DEVELOPMENTS

Swiss tax reform (TRAF)

In a popular vote held on 19 May 2019, the Swiss voters have agreed to the Federal Act on Tax Reform and AHV (old-age insurance) Financing (in short "TRAF"). TRAF came into force as per 1 January 2020 and has a major impact on the Swiss tax laws while it affects the taxation of corporations the most. TRAF is a result of the former rejected Swiss Corporate Tax Reform III and the subsequent Tax Proposal 17 but has been linked with the AHV financing part.

TRAF is a federal act and as such affects the federal level. However, the main purposes of TRAF is also requesting and/or enabling the cantons to amend their cantonal tax laws correspondingly.

This is due to the aim of TRAF to align Switzerland's corporate tax laws with today's international taxation standards. At the same time, TRAF should not harm Switzerland's current position as a very attractive and competitive location for doing business.

Most of the cantons have entirely implemented the framework of TRAF as per 1 January 2020. One of the main changes of TRAF is on the one hand the mandatory abolition of tax privileges for corporations at cantonal/communal tax level (e.g. mandatory abolition of the taxation as a holding company). On the other hand, new tax instruments such as a patent box or an additional deduction for research and development are introduced to maintain Switzerland's position.

The specific changes resulting from TRAF are included and outlined below. The parts of TRAF which are not specifically mentioned in brief relate to:

- Disclosure of hidden reserves (affects relocations from abroad to Switzerland)
- Capital contribution principle restrictions (relevant for listed companies)
- Extension of flat-rate tax credit (Swiss permanent establishments can benefit under certain conditions)
- Transference adjustments

- Increased dividend taxation for individuals (70% at Federal level and at least 50% at cantonal/communal level of the qualifying dividend income are taken into account as taxable income for Swiss individual income taxation)
- Further financial measures (e.g. AHV financing part)

Introduction of global minimum tax

In a popular vote on 18 June 2023, the Swiss electorate and the cantons approved the constitutional amendments for the implementation of the OECD minimum tax of 15% for large multinational enterprises with a turnover of more than EUR 750 Mio. in Switzerland. Based on this constitutional amendment, Switzerland may introduce a supplementary tax to reach the required 15% tax rate. A temporary ordinance of the Federal Council is expected to enter into force at the same time as in the EU on 1 January 2024.

FEDERAL TAXES

The following are the most important taxes levied at the federal level:

- Direct federal tax on the income of individuals and on the profits of legal entities
- Withholding tax
- Stamp duties (in particular relevant for the issuance of shares as well as transactions of securities)
- Value added tax (VAT).

CANTONAL- AND COMMUNAL TAXES

The most important taxes levied by the cantons and/or communities are:

- Direct taxes on the income and net worth of individuals as well as on the profit and capital of legal entities
- Inheritance and gift taxes (not levied by every canton)
- Real estate transfers and capital gain taxes

TAX HARMONISATION

In order to simplify the tax system of Switzerland, the confederation enacted the Federal Act on the Harmonisation of Direct Cantonal and Communal Taxes (StHG). The StHG has been in effect since 1 January 1993. This law harmonises tax liability, the period of assessment and the subject of taxation, as well as procedure. The framework of TRAF mentioned under significant developments above is stipulated in the StHG as well. The federation, cantons and communities will continue to have their own authority over fixing their tax rates, the multipliers and the tax free amounts.

From a tax point of view, there are various ways of organising a corporation. In the following sections, the different tax treatments at federal and cantonal/communal levels are explained for legal entities in the Swiss legal form of a "Gesellschaft mit beschränkter Haftung" (GmbH, limited liability company) or "Aktiengesellschaft" (AG, company limited by shares).

DIRECT TAXATION OF CORPORATIONS

DIRECT FEDERAL TAX

Direct federal tax on profits is levied at a flat rate of 8.5% on taxable income. Because tax payments are tax-deductible, the effective tax rate is approximately 7.8%.

CANTONAL AND COMMUNAL DIRECT TAXES

The cantons/communities levy a Swiss corporate income tax as well as a capital tax.

The tax calculation and charge varies considerably from canton to canton. With regards to corporate income tax, some apply a calculation based on yield, others apply a proportional rate. Most cantons have (some of them substantially) reduced their ordinary Swiss corporate income tax rates in the course of implementing TRAF.

Capital tax is levied on the taxable capital (simplified: the equity of a corporation forms the taxable capital) and on an annual basis. In some cantons, corporate income tax can be credited against the capital tax burden. The amount calculated in this way is, in most cases, only the basic rate, multiplied by a fixed yearly multiplier set by the cantons and communities according to their financial needs. Most of the cantons have introduced a privileged taxation for equity which relates to (qualifying) participations, patents and similar rights as well as intra-group loans (e.g. reduction of the capital tax burden related to the qualifying assets or application of a special capital tax rate).

In conclusion, the corporate income tax charge for corporations differs in every canton and community of Switzerland. For international and national comparisons of tax charges, combined *effective* tax rates rather than statutory tax rates must be compared (Swiss statutory taxes are calculated on profits after tax, since taxes due are considered a tax effective expense). Overall *effective* corporate income tax rates (before tax) currently vary from approximately **11.5–24%** within Switzerland.

SPECIAL TAX REGIMES FOR DIRECT TAXATION

HOLDING COMPANIES, DOMICILARY COMPANIES AND AUXILIARY AND MIXED COMPANIES

One of the main changes of TRAF is the mandatory abolition of the current privileged taxation regimes at cantonal level as per 1 January 2020. Thus, the formerly privileged taxed companies became subject to a (higher) ordinary Swiss corporate taxation at cantonal/communal level as of 1 January 2020. In order to keep the tax consequences of the "fiscal shock" as low as possible resulting from the abolition, there are transitional measures available under the tax practice applicable until end of December 2019 ("step-up regime") as well as under TRAF ("special tax rate regime"). The "step-up regime" is based on a tax neutral step-up and tax-effective depreciation of "hidden reserves" built under the privilege taxation. The "special tax rate regime" stipulates a lower (special) tax rate for these hidden reserves upon their realisation. Both regimes only apply upon request and over a certain period.

COMPANIES WITH PARTICIPATION RELIEF (FEDERAL AND CANTONAL/COMMUNAL LEVEL)

A company could benefit from the participation relief if it holds substantial investments. Thus, both, an operating enterprise which holds substantial investments in other companies or a pure holding company (which for example can also carry out financing activities besides from its holding function) are in principle entitled to participation relief. As to dividend income, an investment is also for a pure holding company only substantial, if it comprises at least 10% of the share capital of a particular company, or when the fair market value of the investment amounts to at least CHF 1 million. The participation relief is given through a reduction of the Swiss corporate income tax on the profits in the ratio of the net income deriving from the substantial investments in relation to the total income of the company (so-called indirect relief). Furthermore, capital gains on the sale of an investment of at least 10% are entitled to the participation relief under certain (specific) conditions (the term of a substantial investment differs from the one relevant for dividend income). The participation relief is applicable for direct federal tax and for cantonal/communal corporate income tax.

MANDATORY PATENT BOX (CANTONAL/COMMUNAL LEVEL)

TRAF obliged the cantons to introduce a patent box at the level of cantonal/communal taxes as per 1 January 2020. The cantons are thus obliged to offer internationally attractive taxation for qualifying patents and similar rights in line with the OECD standard. The patent box acts on the taxation of income (so-called "output promotion") and is basically accessible to legal entities (such as companies limited by shares or limited liability companies) as well as to self-employed natural persons. The patent box regime is only granted upon the taxpayer's request.

Determination of the box profit

The patent box provides that the profit originating from qualifying patents and similar rights will be taxed to a lower extent. The reduction results from a partial exemption of the qualifying profit (reduction of the assessment basis, i.e. no tax is levied on the privileged share of the "box profit").

The first step is the determination of the so-called "box profit". In this context, transfer pricing considerations should be taken into account ("DEMPE" functions or sufficient economic substance for the allocation of the relevant profits). The "box profit" is calculated on the basis of the residual method – adjusted by the modified nexus approach, which may be applied to patents or products (or even "product families"). From a mathematical perspective, the nexus approach relies on the so-called nexus factor, which results from the percentage ratio between the qualifying research and development expenses (incl. "uplift" within the specified limits) and the overall research and development expenses (non-qualifying costs such as, for example, costs for the financing/control of research and development activities carried out by group companies domiciled abroad).

The amount of the reduction granted in a second step on the calculated "box profit" may, within the statutory limits, be defined independently by each canton. The maximum reduction amounts to 90% (i.e. at least 10% of the "box profit" is subject to ordinary taxation, the residual 90% portion is exempt). The patent box has no direct impact on the profit reported in accordance with commercial law apart from that fact that it impacts the tax expense.

Entering the patent box

The taxpayer must apply for taxation according to the patent box. Entering the patent box requires that a kind of a (tax systematic) set-off applies to the (under the patent box "privileged") research and development expenses on qualifying patents and similar rights which have previously been tax effective (deductible). As a result, such expenses must in principle be added to the taxable profit at the time when entering the patent box and become subject to ordinary taxation, thereby creating an (amortisable) already taxed hidden reserve. However, but within 5 years after the introduction of the reduced taxation, the cantons are free to provide a more attractive entry tax method – more attractive in the sense of deferring the "entry tax" instead of immediately have to pay it (e.g. by means of an «loss recapture mechanism»).

VOLUNTARY ADDITIONAL DEDUCTION FOR RESEARCH AND DEVELOPMENT (CANTONAL/COMMUNAL LEVEL)

In addition to the patent box, the TRAF authorised the cantons to introduce an additional deduction for (qualifying) research and development at the level of cantonal/communal taxes. The additional deduction for research and development creates an attractive environment for Switzerland as an innovation centre.

In principle, the additional deduction for research and development is restricted to (qualifying) research and development activities "physically" being performed in Switzerland. The additional deduction for research and development shows its effects on the costs (so-called "input promotion") and is in principle accessible upon request to legal entities (such as companies limited by shares or limited liability companies) as well as to self-employed natural persons.

Approach to the additional deduction for research and development

Specifically, the new tax instrument provides that, in addition to the actual (qualifying) commercially justified expenses incurred, an additional deduction for research and development may be granted for

- one's own (directly attributable) staff costs for qualifying research and development, plus a lump sum surcharge of, as a matter of principle, 35% on such staff costs - for the compensation of other costs (such as costs of materials, rent, electricity, etc.); and
- 80% of the invoiced qualifying research and development costs to the extent that such expenses were incurred by third parties or group companies in Switzerland (contract research). However, if the principal is already entitled to an additional deduction for research and development, the agent is no longer entitled to any relief for its research and development.

The amount of the additional deduction for research and development is, within the statutory limits, to be defined independently by each canton. The cantons may allow for a special relief amounting to a maximum of one and a half times (i.e. a tax "surcharge" of up to 50% so that 150% of the respective expenses are tax-deductible). From a tax perspective, the additional deduction for research and development reduces the basis for the tax assessment. Hence, the additional deduction for research and development has no direct impact on the profit reported in accordance with commercial law apart from that fact that it impacts the tax expense.

VOLUNTARY DEDUCTION FOR SELF-FINANCING (CANTONAL/COMMUNAL LEVEL)

The cantons may enact a (deemed) interest deduction on equity capital ("notional interest deduction" – in short called "NID") if the cantonal capital's effective corporate income tax rate (federal and cantonal/communal tax level are considered) amounts to least 18.03% (so-called "high-tax cantons").

OVERALL RELIEF RESTRICTION

The tax relief based on the patent box, the additional deduction for research and development and the NID may not exceed 70% of the taxable profit in principle. The cantons can implement a higher "minimum taxation" to be adhered to. If the current cantonal tax practice permits transitional provisions for status companies under the tax practice until end of December 2019, any depreciation under the "step-up regime" needs to be taken into account as well.

TAX HOLIDAYS FOR NEWLY ESTABLISHED COMPANIES

The cantons, together with the federal government, may grant tax holidays as an incentive for investments in Switzerland. The tax holidays are part of Swiss regional policy in order to enforce economically weaker regions. The tax incentives include exemptions for corporate income and capital taxes for periods of up to ten years. The extent of the tax exemption depends on the time and amount of investment, the number of jobs created and the regional economic planning aspects etc. It is recommended that investors negotiate tax incentives in advance of the establishment of a new company.

CAPITAL STRUCTURE AND MAXIMUM INTEREST RATES (THIN CAPITALISATION RULES)

A Swiss company must have a reasonable capital structure. A circular letter published by the Federal Tax Administration sets out the allowed debt-financing quotas depending on the quality of assets (e.g. participations can be debt-financed at 70%). Additionally, the maximum interest rate on debts may not exceed a certain limit. The Swiss Federal Tax Administration publishes annually the allowed maximum and minimum interest rates.

OTHER TAX CONSIDERATIONS

SWISS WITHHOLDING TAX

The Swiss withholding tax of 35% is levied on dividend distributions of Swiss companies, on interest payments on certain bonds, notes or debentures issued by Swiss debtors and on interest payments from deposits with Swiss banks. Switzerland does not levy withholding tax on arm's length royalty payments and arm's length inter-company interest payments are also not subject to Swiss withholding tax.

Since withholding tax is a source tax, it has to be retained by the debtor and basically re-mitted to the Swiss Federal Tax Administration; the (deemed) beneficiary or shareholder directly receives only the net amount of 65%. If the (deemed) recipient is an individual (or a company) resident in Switzerland, full relief on the 35% withholding tax may be granted (either at source or through refund). Non-residents and foreign corporations can seek full or partial relief from the 35% withholding tax (either at source or through a refund) depending on the terms of the double tax treaty concluded between Switzerland and the respective country of residence. For the non-recoverable portion, many countries grant a tax credit. It should be noted that a number of Switzerland's double tax treaties rely on the beneficial ownership requirement and contain explicit misuse clauses to prevent 'treaty shopping'. Moreover, the Swiss Federal Court upheld a Swiss withholding tax case that a misuse clause is inherent in each double tax treaty.

Switzerland has concluded more than 100 double taxation treaties to prevent double taxation.

Moreover, effective from 1 July 2005, an agreement on taxation of savings income in the form of interest payments came into force between Switzerland and the EU - now replaced by the agreement with the EU regarding the automatic exchange of information dated 1 January 2017. Article 9 of the new agreement allows for full relief on Swiss withholding tax on intra-group dividends, interest and royalty payments, provided that certain criteria are met (e.g. minimum holding period). A notification procedure can be applied and leads to direct relief at source, provided that all formal requirements are met in a timely manner.

FOREIGN WITHHOLDING TAX

Based on Switzerland's comprehensive double tax treaty network, Swiss corporations benefit from extensive access to recovery of foreign withholding taxes on dividends, interest and royalty income. In most cases, it is possible for the Swiss beneficiary of a payment charged with foreign withholding tax to claim a refund for at least one portion of the tax and to apply for a tax credit for the remainder. The right to recover foreign withholding tax might be restricted by specific treaty provisions and/or a direct tax privilege (see above).

In addition to the above-mentioned provisions of double tax treaties entered into by Switzerland, regulations of the Swiss Abuse Decree have to be met in order to be eligible for treaty benefits (foreign withholding tax refunds and/or credit, as outlined below). The Swiss domestic law Abuse Decree is designed to avoid the abuse of double tax treaties.

THE SWISS ABUSE DECREE

In the 1960s, Switzerland issued regulations on the abuse of double tax treaties concluded by Switzerland (the so-called 1962 Abuse Decree). The aim of the Abuse Decree is to avoid the use of the Swiss double tax treaty network by people or companies who should be out of the scope of treaty benefits.

The Abuse Decree targets the following:

- Abusive transfers of income to non-qualifying persons (use of conduits; 50% base erosion test)
- Inappropriate profit distributions (mandatory distribution rules)
- Fiduciary relationships
- Foreign-controlled family foundations and partnerships.

The rules of the Abuse Decree only apply in the absence of a specific treaty provision. The Swiss Federal Tax Administration publishes a list of treaties with specific anti-abuse rules.

However, the Swiss Federal Tax Administration has published several circular letters which have partially relaxed the conditions laid down in the 1962 Abuse Decree over the last few years. It is therefore vital to consult the applicable tax treaty and to gain details on the rules which would apply to each specific case.

SWISS ISSUANCE STAMP TAX

The federation levies a Swiss issuance stamp tax at a rate of 1% on the issuance of certain domestic nominal capital of participation rights (against or without payment) as well as in particular contributions without remuneration of a direct shareholder into the equity of the respective company.

SWISS SECURITIES TRANSFER TAX

The transfer of legal title in Swiss or foreign taxable securities is subject to (federal) Swiss securities transfer tax, if a so-called Swiss securities dealer is involved (as a contracting party or an intermediary). In particular, a Swiss limited liability company (GmbH) or a Swiss company limited by shares (Aktiengesellschaft) holding taxable securities with a book value of more than CHF 10,000,000.

The tax rate is 0.3% for the transfer of Swiss securities and 0.15% for foreign securities. Various transactions are exempt, in particular various intragroup transactions.

TAX RULINGS

Switzerland has a well-established tradition of tax rulings. Tax payers may discuss (and negotiate) their tax issues in advance with the responsible tax authorities in order to obtain an advance tax ruling (i.e., a tax ruling could be obtained prior to implement the respective transactions but not after the implementation). Tax rulings obtained are legally binding for the countersigning tax authority under the provision that there is no change in law and that the relevant facts have been fully and accurately disclosed.

TRANSFER PRICING

Switzerland does not have statutory transfer pricing rules and has not transfer pricing law. Switzerland follows the OECD Guidelines and recognizes the arm's length principle.

For further information, it is referred to the separate fact sheet *Global Transfer Pricing Switzerland*.

OTHER ISSUES

Exchange of information upon request

In addition to provisions to avoid double taxation, double tax treaties also contain rules relating to the exchange of tax information upon request. Switzerland has included the OECD standard in numerous double tax treaties and is prepared to agree to a provision on the exchange of information upon request as per the international standard in all double tax treaties.

Spontaneous exchange of information

Switzerland introduced the spontaneous exchange of information by means of an unrequested exchange of tax rulings considered harmful (should then be exchanged spontaneously if the transmitting country suspects that the information available might be of interest to another country) and available to the competent Swiss tax authorities.

Switzerland adopted the current international standard in this area. The first spontaneous exchange of information occurred in 2018. The following ruling categories are subject to the spontaneous exchange of information:

- Preferential tax regime rulings;
- Unilateral tax rulings covering cross-border transfer prices;
- Cross-border tax rulings covering a unilateral downward adjustment of the taxable income in Switzerland (e.g. Patent-box rulings);
- Cross-border tax rulings relating to the existence/non-existence of and/or attribution of profits to a permanent establishment;
- Cross-border tax rulings related to conduit structures.

Automatic information exchange (financial accounts)

Switzerland usually implements the global standard for the automatic exchange of information on financial accounts according to the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information (MCAA). Bilateral treaties have been concluded with the EU, Hong Kong and Singapore. The domestic legal basis entered into force on 1 January 2017.

Country by Country Reporting (CbCR)

Switzerland signed the OECD Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports (MCAA) and adopted the respective provisions into its domestic legislation (became effective on 1 December 2017). Multinationals in Switzerland are thus obliged to start drawing up a CbC report from the tax period 2018. Switzerland will exchange CbC reports with its partner states from 2020 on (and will be able to receive such reports from then at the latest).

VALUE ADDED TAX (VAT)

Switzerland levies a general consumption tax based on the system of net all-phase taxation with input tax deduction (value added tax). The purpose of the tax is to tax non-business end use on Swiss territory.

Swiss VAT applies to the following transactions:

- Supply of goods and services rendered by taxable persons in Switzerland
- Acquisition of services and, in certain cases, of goods by recipients in Switzerland from undertakings with their place of business abroad and not registered for Swiss VAT purposes (acquisition tax)
- Import of goods (import tax).

Any person engaged in an entrepreneurial activity is liable to VAT, regardless of the person's legal form, purpose or profit motivation. However, a tax exemption may be possible for businesses which do not exceed an annual turnover of CHF 100 000.

Since 1 January 2018 the threshold of annual turnover of CHF 100 000 is calculated on a basis of the worldwide generated turnover. Foreign companies, which supply goods to Switzerland or provide end users with telecommunication and electronic services, are no longer calculated based on the turnover generated in Switzerland, but rather on the worldwide turnover. Accordingly, if a company generates less than CHF 100 000 from services of this kind in Switzerland, and at least CHF 100 000 in turnover around the world, it is liable for VAT in Switzerland from the first franc of turnover.

Since 1 January 2019, small consignments (this means imports of goods with an import tax amount per good of max. CHF 5 or less) sent to Switzerland from abroad are no longer exempt from Swiss VAT. Any seller with a turnover of more than CHF 100 000 a year or the equivalent small consignments must register for VAT in Switzerland and charge Swiss VAT to customers receiving such consignments.

A foreign business, i.e. companies / taxable persons without a domicile, registered office or permanent establishment on Swiss territory must appoint a Swiss VAT representative to perform their procedural Swiss VAT obligations. The representative must have his domicile, registered office or permanent establishment on Swiss territory).

If a service (or in certain cases the supply of goods) is provided by a business established abroad, which is not registered in the Swiss VAT register, the Swiss domestic recipient is liable for the payment of acquisition tax (analogue a reverse charge mechanism). In cases where the domestic recipient is not already registered for VAT purposes based on the worldwide turnover, the domestic recipient is subject to tax liability if the total of such taxable supplies exceed the amount of CHF 10 000 per calendar year.

Foreign companies that exclusively provide services, which are subject to acquisition tax in Switzerland, do not have to register for VAT in Switzerland. This applies regardless of the amount of turnover generated.

Import tax is levied on the value of imported goods. Such value also includes taxes (excl. VAT itself) and costs levied before the goods are delivered to their initial destination in Switzerland.

Different rates apply for Swiss VAT. The standard rate is 7.7%, but certain goods (e.g. food and drink, medicines, etc.) are subject to a reduced rate of 2.5%. Overnight stays (including breakfast) are subject to a special VAT rate of 3.7%.

Swiss VAT law provides for a whole range of goods/services that are exempted from VAT (e.g. in the health, educational, cultural, real estate etc. sector). However, this means that for some of these, no input tax deduction is possible.

In some cases, an option for voluntary tax liability is possible. Registration for a VAT group can be obtained under certain preconditions.

If a foreign company makes a delivery under a contract for work services in Switzerland, this fundamentally entails VAT liability in Switzerland, provided that the company's annual global turnover exceeds CHF 100 000. Please note that the definition of "supply of goods" and "supply of services" may differ from the definition in other VAT legislations. For example, from a Swiss VAT perspective the repair or installation of a good qualifies as a supply of goods and not as a supply of services.

The VAT return generally has to be submitted on a quarterly basis. Unless otherwise requested from the Federal Tax Authorities, the following accounting periods apply:

Q1	1 January – 31 March
Q2	1 April – 30 June
Q3	1 July – 30 September
Q4	1 October – 31 December

After every (business) year, Swiss VAT registered businesses have an obligation to perform a reconciliation of their filed VAT returns against their audited financial accounts. The purpose of this turnover reconciliation is essentially to identify any turnover that may not have been captured in the filed VAT returns. There is also a requirement to reconcile input VAT booked on input VAT amounts, against the input VAT deducted in the VAT returns, to ensure that the right amount of input VAT has been claimed and deducted. If the taxable person discovers errors in his tax returns in the course of drawing up his annual accounts, he must correct them at the latest in the return for the reporting period in which the 180th day after the end of the relevant business year falls.

INDIVIDUAL TAXATION

Switzerland's tax structure has been shaped by the three levels of government, which are Federal, Cantonal and Communal. The following direct taxes are levied for individuals:

- Federal taxes
- Cantonal- and Communal taxes
- Church taxes (depending on individual church belongings)

Swiss Federal tax law applies for all Switzerland, but each of the 26 Cantons has a separate law for Cantonal taxes. Communal taxes are levied as a multiple of Cantonal taxes. The choice of residence is an important factor of tax planning, as tax laws and tax rates vary widely from Canton to Canton and also from Commune to Commune.

Individual tax rates are mostly progressive. On Federal level, a tax rate of maximum 11.5% of the net taxable income applies. The maximum Cantonal- and Communal tax varies between 12 – 35%.

Further, a wealth tax is applied on Cantonal- and Communal level. The maximum wealth tax rate on the net taxable wealth varies between 0.1 – 1%.

In general, the worldwide income and wealth must be declared in Switzerland for tax purposes, provided the tax residency in Switzerland is given. Some income and wealth only applies for the determination of the applicable tax rates (such as income from foreign real estates) and is therefore not effectively taxed in Switzerland (exemption with progression).

Capital gains from the sale of movable assets from private wealth (except if trading is qualified as business) and repayment of capital contribution reserves are not taxable. Capital losses from the sale of movable assets are not deductible for tax purposes.

Gains from the sale of real estate, inheritances and gifts, pension pre-payments are not subject to ordinary tax, but taxed separately on Cantonal- and Communal level. However, there are Cantons and Communes, where no inheritance and gift tax applies. This depends on each Cantons tax law.

Married couples are jointly taxed in Switzerland. An individual taxation of the spouses is not possible.

Individuals are considered resident in Switzerland if they have legal residence in Switzerland or if they intend to stay in Switzerland for a certain period (usually longer than one month), as well as if they work in Switzerland for a period exceeding 30 days. In order to determine an individual's tax residency in an international context, the double tax treaties between Switzerland and the contractual countries must be consulted, in case that a tax residency in Switzerland is given according to Swiss tax law.

The taxable income consists of the worldwide income, such as private income, employment income, self-employment income, director's fees, investment income etc. Dividends received are taxed as ordinary income. However, if the recipient owns at least 10% of the shares of the dividend paying company, only 70% of the dividend is taxable on Federal level. Some Cantons have adapted similar rules (taxation between 50 – 70%). The taxable wealth consists of the worldwide wealth, such as movable assets and immovable assets.

In case that an individual is not considered Swiss tax resident, the individual is in principle subject to tax for at least the income physically generated in Switzerland.

Foreign managers and certain specialists working in Switzerland on a temporary basis of up to 5 years and on a temporary contract may claim relief of expenses incurred by their stay in Switzerland, such as relocation costs, double housing costs etc.

Lump-Sum taxation: On Federal as well as on some Cantonal- and Communal level, there is an option to request taxation based on estimated living expenses rather than on effective income and wealth. The following requirement must be met in order to request Lump-Sum taxation:

- No Swiss employment (neither employed nor self-employed)
- At least 10 year's absence of residence in Switzerland (or first time residence)

The base for Lump-Sum taxation is the income imputed from the living expenses of the individual and his/her family (i.e. by a multiple of rental value). The amount of lump-sum tax cannot be less than the tax that would be due on the sum of the Swiss sourced income, such as income from Swiss real estates, income from Swiss investments, pensions from a Swiss based institution etc.

SOCIAL SECURITY

The core element of Swiss social security system is a three-pillar system.

Pillar 1

Pillar 1 is a mandatory pillar for employed and self-employed people, which covers the following risks: old-age, death, disability and unemployment. The benefit from pillar 1 depends on previous income level and years of contributions.

Employees must contribute 5.125% of the gross salary to the pillar 1. The employer must also contribute also 5.125% of the employee's gross salary. In total, a contribution of 10.1% of the individual's gross salary is due, with no ceiling.

Self-employed individuals must make a contribution at a maximum rate of 9.65% of their income from their business.

Pillar 2

This pillar represents the pension plan and is also mandatory for employed people. Self-employed people are not required to be members of a pension plan.

Employed people are part of an employer's pension plan. The employer must make contributions of at least 50% of the total contribution. The amount of contribution depends on several factors such as the pension plan itself and the employee's age and income. Voluntary pillar 2 contributions are attractive for tax planning (contributions are limited to a certain amount, to be clarified with the respective pension provider).

Pillar 3

Pillar 3 is a private saving scheme and is on voluntary basis. It is split between pillar 3a and pillar 3b. Pillar 3a contributions are attractive for tax planning (contributions are limited to a fixed amount, currently CHF 6 826 for employed people and CHF 34 128 for self-employed people). The pillar 3b consists of private savings and do not have tax planning options.

Totalization agreements

To provide relief from double social security belonging in an international context, Switzerland has totalization agreements with several contractual states.

7 – ACCOUNTING & REPORTING

COMMERCIAL ACCOUNTING

Legal entities and companies in sole proprietorships, as well as partnerships with revenues of at least CHF 500,000 in the preceding financial year, are obliged to keep company books and to prepare an annual report.

A company must be able to provide information on its financial situation, including liabilities and outstanding claims. At the end of each financial year, financial statements (balance sheet, income statement and notes) have to be prepared. There are minimum requirements with regards to the structure of the balance sheet, the income statement and the notes.

Companies that are subject to an ordinary audit have to prepare a cash flow statement and a directors' report, as well as include extended notes to the financial statements. Besides other information, the directors' report will need to include indications about the future outlook of the company's business and information on the risk assessment. Furthermore, companies listed on the stock exchange or certain larger companies have to prepare consolidated financial statements.

The company books and financial statements may be kept and presented in the national currency or in the functional currency (with national currency disclosures).

SWISS RULES ON ACCOUNTING AND REPORTING

The basic rules of accounting in Switzerland are stated in the Swiss Code of Obligations (OR).

The protection of creditors is an important aspect of the OR. Therefore, accounting according to the OR follows a principle of prudence. Companies are authorised to accumulate hidden reserves (e.g. with faster depreciation, excessive provisions). Taxes are levied on the balance sheet, allowing companies to understate their actual profit.

In addition to these elementary rules, a specific Swiss true and fair standard, mainly for consolidated (not tax relevant) financial statements, has been established and is widely used. The aim of the Swiss GAAP FER (Generally Accepted Accounting Principles – *Fachempfehlungen zur Rechnungslegung*) is to provide a true and fair view on the financial position, the results of operations and cash flows. Swiss GAAP FER is set as the minimum standard for companies quoted on the stock exchange (the Domestic Standard or the Standard for Real Estate Companies of the SIX Swiss Exchange or on the Berne Exchange). Being a principle-based standard, a major goal of Swiss GAAP FER is to offer a good cost-value ratio to small and medium-sized enterprises. Furthermore, Swiss GAAP FER facilitates an upgrade to international principle-based standards such as the International Financial Reporting Standards (IFRS). All companies listed on the Main Standard of the SIX Swiss Exchange have to prepare their consolidated financial statements in accordance with IFRS or US GAAP.

IFRS is typically used by international companies in Switzerland; however, all companies have to prepare Swiss statutory accounts in line with OR for tax purposes.

AUDIT RULES

Depending on the size and economic relevance of a company, the law provides for two types of audit – the ordinary audit and the limited statutory examination.

The companies are divided into the following categories:

	Micro- enterprises	Small and medium- sized enterprises	Economically signifi- cant companies
Balance-sheet total		< CHF 20 million	> CHF 20 million
Turnover	< CHF 500 000	< CHF 40 million	> CHF 40 million
Average number of employees	<10	<250	>250
Legal forms	sole proprietorship partnerships associations foundations	all	all
Audit requirement	No	Limited Statutory Ex- amination	Ordinary Audit

Public and economically significant companies are subject to an ordinary (full scope) audit by a state-supervised audit firm (public companies) or a licensed audit expert (for economically significant companies). Other companies are generally subject to a limited statutory examination (comparable to a limited review) by a licensed auditor.

Whilst small and medium- companies may also opt up for an ordinary audit, micro-enterprises may opt out (have no audit at all).

8 – UHY REPRESENTATION IN SWITZERLAND

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SOCIAL MEDIA CONNECTIONS

- Facebook: <https://www.facebook.com/BalmerEtienne/>
- LinkedIn: <https://ch.linkedin.com/company/balmer-etienne-ag>

Year established: 1948
Number of partners: 12
Total staff: 117

ABOUT US

We support client in accounting, audit and advisory matters with our practical approach to developing customised business related solutions. Fast, enthusiastic and reliable.

OTHER IN-COUNTRY OFFICE LOCATIONS AND CONTACTS

Zurich, Stans, Luzern, Zug

BRIEF DESCRIPTION OF FIRM

Balmer-Etienne ranks amongst Switzerland's leading audit and consultancy companies. Our service range spans areas of business: audit, finance, tax and law. Balmer-Etienne is structured as a partnership.

SERVICE AREAS

Financial auditing
Tax consultancy
Business consultancy
Legal consultancy
Accountancy
Real estate consultancy

PRINCIPAL OPERATING SECTORS

Retail business
Production companies
Pharmaceutical
Transportation
Entertainment and media
Health care



The network
for doing
business

Pension and insurance companies / social security
Trading companies (commodities)
Banking and financial consulting
Charities

LANGUAGES

German, English, French, Italian.

OTHER COUNTRIES IN UHY CURRENTLY WORKING WITH, OR HAVE WORKED WITH IN THE PAST

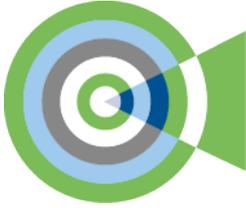
Italy, France, Germany, Spain, Netherlands, Hong Kong, UK, US.

BRIEF HISTORY OF FIRM

The company was established in Lucerne in 1948, adding offices in Stans, Zurich and Zug as the firm expanded. With fee-based earnings of around CHF 22 million, we belong to the top four medium-sized fiduciary and auditing firms in Switzerland.

We are strongly rooted in the region but work throughout Switzerland and have a national perspective. In addition to the economic centres of Zurich and Central Switzerland, we also serve numerous clients in Basel, Berne and Eastern Switzerland. This means we are familiar with local conditions but also have a broad network, also including local tax authorities.





LET US HELP YOU ACHIEVE FURTHER BUSINESS SUCCESS

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