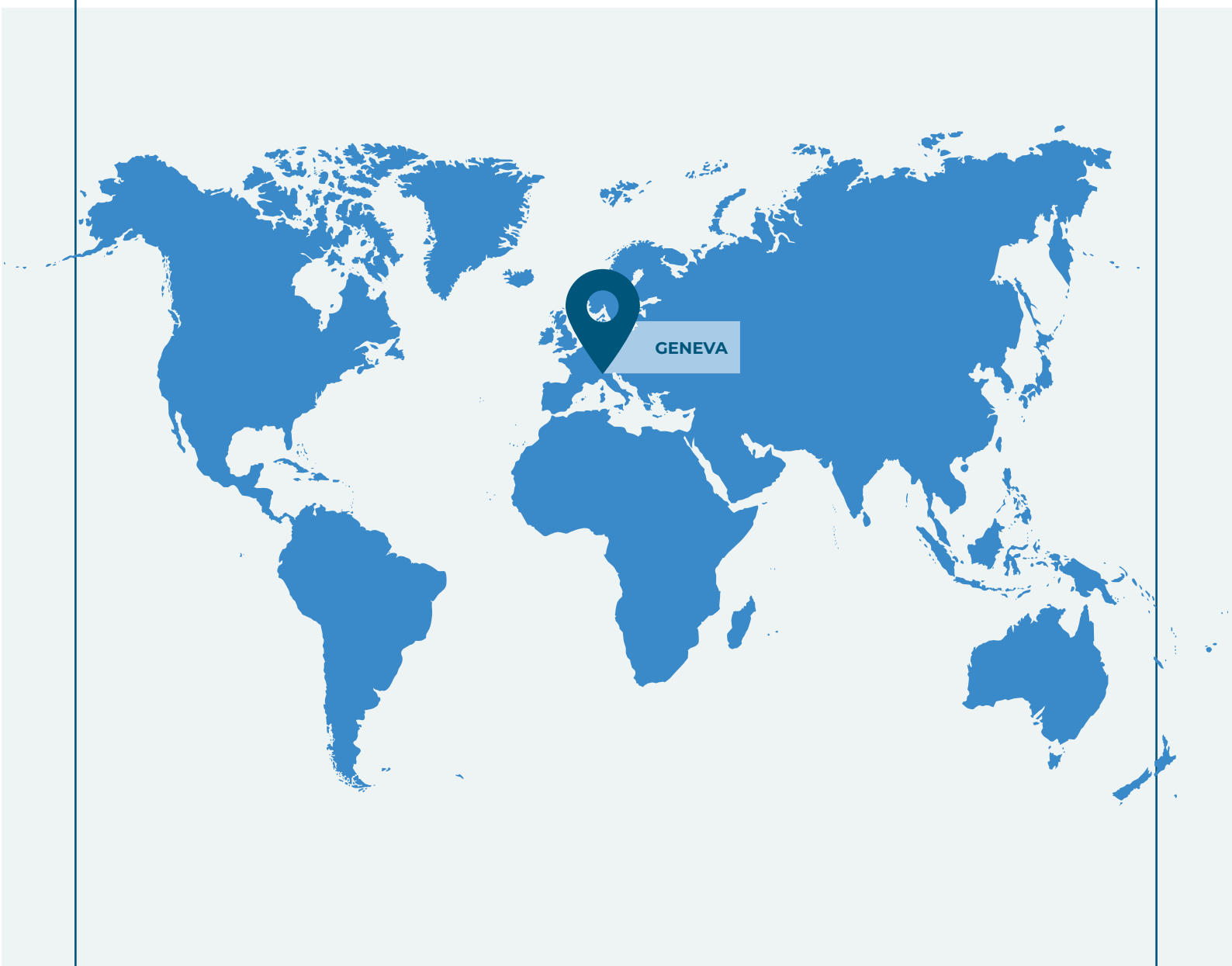


DOING BUSINESS IN SWITZERLAND



winglobally 

gfp fiduciaire

TO SET UP A BUSINESS IN THE NETHERLANDS YOU CAN EITHER:

- Open a branch office
- Choose one of the different forms of company (as a subsidiary)

BRANCH	SUBSIDIARY
Not a company on its own.	Legally independent company which can take on its own corporate structure.
Does not require notary for minimum capital Registration on the commerce register remains needed however.	Requirement of Swiss notary and minimum capital.
Its liability extends to the parent company.	Limited liability (separate entity).
Subject to the Swiss taxation system (special rules apply for equity tax).	Subject to the Swiss taxation system (standard taxation scope unless a special requested ruling granted by the tax administration applies).
Requires at least one local resident as branch's director.	Requires at least one local resident as company's administrator.

TYPES OF SUBSIDIARIES AND THEIR CHARACTERISTICS:

There are 4 main forms of companies, namely:

Private limited liability company (SARL)	Private limited company (SA)	Partnership (SNC)	Cooperative company
Minimum starting capital of CHF 20'000	Minimum starting capital of CHF 100'000	No minimum capital	No minimum capital
Minimum of 1 Shareholder	Minimum of 1 Shareholder	Minimum of 2 partners	Minimum of 7 members
Usually better suited for small and medium-sized companies	Usually better suited for bigger company or company that plan to scale up	Best suited for local professional activities with 2+ partners involved	Best suited for the development and economic aid of a specific activity.
Easily accessible due to the minimum capital being lower than a private limited company. Shareholders information are publicized on the commerce register.	More flexibility with respect to governance and shares management. Shareholders are not publicized on the commerce register (more anonymous than the Sarl form).	Simplest form (no separate legal entity) but there is no separation between private & professional assets (liabilities extend fully to all the private assets of the partners)	Uncommon form for standard business cases ; usually set up by groups of actors of a given sector to mutualize the means of production.



TAXES

The main taxes are as follows:

1. Corporate tax

Federal level: Switzerland levies a direct federal CIT at a flat rate of 8.5% on profit after tax. Accordingly, CIT is deductible for tax purposes and reduces the applicable tax base (i.e. taxable income), resulting in a direct federal CIT rate on profit before tax of approximately 7.83%. At the federal level, no corporate capital tax is levied.

Cantonal/communal levels: In addition to the direct federal CIT, each canton has its own tax law and levies cantonal and communal corporate income and capital taxes at different rates. Therefore, the tax burden of income (and capital) varies from canton to canton. Some cantonal and communal taxes are imposed at progressive rates.

2. VAT

The current normal VAT rate is 8.1% (maximum rate), other reduced rate may apply depending on the type of activities engaged by the company.

3. Individual income tax

All tax-resident individuals are taxed on their worldwide income and wealth. Non-tax-resident individuals are only taxed on Swiss sources of income and wealth.

Income taxes are levied at three different levels: at the federal level (which is the same all over Switzerland), at the cantonal level (which is the same within a certain canton and is based on the canton's own tax law and tax rates), and at the municipal level (municipalities follow the cantonal tax law, but are entitled to set their own communal tax rate

within certain parameters). Income tax rates are progressive at the federal level and in most of the cantons. Some cantons have recently introduced flat rate taxation.

All income is taxed on the basis of the same tax return with generally the same tax rate (i.e. all income sources are added together), and from such total income all applicable deductions are subtracted. This results in an applicable tax rate that is levied on all taxable income. Based on applicable DTTs, the actual taxable income in Switzerland may differ from the tax rate determining income. Furthermore, dividend income from substantial participations may be taxed at a lower tax rate based on domestic federal and cantonal law.





**WE TAKE YOUR BUSINESS
PERSONALLY.**

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