



Family Relocation to Switzerland Under Lump-Sum Taxation

High living standards, world-renowned educational system, beautiful landscapes, international environment and moderate tax rates are some of the qualities that make Switzerland such an attractive place of residence. The lump-sum taxation regime offers non-Swiss families all around the globe the possibility to establish residency in Switzerland and benefit from everything that the country has to offer.

Living in Switzerland under Lump-Sum Taxation

The lump-sum taxation regime is available for all non-Swiss individuals and families wishing to take up residency in Switzerland for the first time without exercising any professional activities in the country. Pursuing professional activities abroad is, in general, possible.

Persons living in Switzerland under lump-sum taxation pay taxes based on their living expenses rather than on their actual income and assets. Instead of declaring their income and assets to the tax authorities, they declare their annual living expenses, which shall then serve as basis for the income and wealth taxes. As a consequence, the effective tax burden can be highly attractive.

The specific rules of the lump-sum taxation regime are usually pre-discussed with the tax authorities of the canton where the individual or family wishes to take up residency. There are, however, minimum requirements for the granting of the lump-sum taxation regime, such as a minimum income and wealth tax basis. As an example, the canton of Zug, one of the most attractive cantons with regard to lump-sum taxation, requires a minimum income tax basis of CHF 1 million and a minimum wealth tax basis of CHF 20 million for non-EU/EFTA nationals. This results in a total tax amount of approximately CHF 300,000 per year for the income and wealth taxes.

Obtaining a Residence Permit for Relevant Fiscal Interest

Once the lump-sum taxation regime is granted by the competent cantonal tax authorities, the family wishing to relocate to Switzerland usually obtains a residence permit for relevant fiscal interest. This permit allows them to establish domicile in Switzerland and benefit from its first-class infrastructure, health and education systems as well as to purchase a main residence. After 10 years being resident in Switzerland uninterruptedly, there is also the possibility to apply for Swiss citizenship.

Meyerlustenberger Lachenal Ltd. (MLL) is one of the largest and most reputable international law firms in Switzerland. MLL's China & Private Clients Desks have extensive experience in advising individuals and families from Greater China on all matters connected to their relocation to Switzerland. Our team of highly qualified lawyers would be happy to offer you advice and support in several languages, including Mandarin and Cantonese.

Main Contacts:



Florian Müller
Head China Desk
florian.mueller@mll-legal.com



Thais Obrist-Bdine
Associate
thais.obrist@mll-legal.com

Zürich
T +41 44 396 91 91

Zug
T +41 41 768 11 11

Meyerlustenberger Lachenal Ltd. Attorneys at Law
www.mll-legal.com | www.mll-news.com

Zürich | Genève | Zug | Lausanne