

**Philipp Schmidig**

dipl. Steuerexperte,
Fachmann im Finanz- und
Rechnungswesen
mit eidg. Fachausweis



Blog > Steuerberatung > Swiss withholding tax Changes to the reporting procedure in the group

11.2022

Swiss withholding tax: Changes to the reporting procedure in the group

The authorisation required for withholding tax reporting procedure in international relations will be valid for five years instead of three years, as of 01 January 2023.

As a rule, Switzerland levies a withholding tax of 35% on dividends and non-cash benefits. For this withholding tax, partial or complete relief can be claimed on the basis of a double taxation treaty. If no minimum participation is stipulated in this treaty (e.g. treaties with India or Chile), a minimum participation rate of 10% will now apply (previously 20%).

For the application of this reporting procedure, which replaces delivery and reimbursement, the company must obtain a permit prior to the dividend resolution. Effective 01 January 2023, the validity of the permit will be extended in international relations from three to five years. In addition, the application will be extended to all companies that have qualifying participation within the context of the double taxation treaty.

However, changes to the participation structure must continue to be reported immediately to the tax authorities. It is important that this obligation is observed during the entire five-year approval period and implemented if necessary. If a reduction or relief from withholding tax is no longer possible due to changes in the participation structure, the federal tax administration reserves the right to levy the withholding tax, including interest on arrears.

In the intra-Swiss relationship, the reporting procedure is now granted for participations from 10% (previously for participations from 20%). The adjustments may lead to liquidity advantages for the taxpayer, and at a minimum lead to less administrative work, and are therefore very welcome.

Text published in GGY FYI Auditing, Reporting & Compliance News, Autumn 2022

Tags: Steuerberatung, Quellensteuer, Verrechnungssteuer, Doppelbesteuerung, Dividende, Steuer



© iStock.com/Ole_CNX