

# SMEs and their owners

Tax Tables 2023



# Taxation

## Direct federal tax

- No capital tax at federal level.
- Under Art. 68 of the Direct Federal Taxation Act (DFTA), corporate income tax for corporations and cooperatives is levied at 8.5% on net profit after tax. As the tax charges itself is deductible from corporate income tax, this equates to a tax rate of around 7.8% on pre-tax profit.
- The participation deduction is set out in Art. 69 DFTA. If a corporation or cooperative holds at least 10% of the share capital of another company or the interest has a market value of at least CHF 1 million, corporate income tax is reduced in proportion to the ratio of net earnings from these investments to total taxable profits.

## Real estate capital gains tax

There are two systems for taxing gains on the sale of property. In the monistic system, gains on property attract property gains tax whether they are business or personal assets. In the dualistic system, on the other hand, property gains within a business are subject to standard corporate income tax.

### Dualistic system:

AG, AI, AR, FR, GL, GR, LU, NE, OW, SG, SH, SO, TG, VD, VS, ZG

### Monistic system:

BE, BL, BS, JU, NW, SZ, TI, UR, ZH

### Hybrid monistic/dualistic system:

GE

## Footnotes from pages 2– 5

<sup>1</sup> For all cantons: where tax rates are graduated, the maximum rate for SMEs is shown.

<sup>2</sup> Capital tax rate of max. 0.4% of taxable capital.

<sup>3</sup> No religious affiliation, tariff for married persons, maximum rate.

<sup>4</sup> No religious affiliation, tariff for married persons, capital CHF 1,000,000, main town/city of canton.

<sup>5</sup> Taxable property gain of CHF 500,000 (owned for 20 years, property in same canton, excluding property transfer taxes or other fees; main town/city of canton).

<sup>6</sup> Cantons without standard property transfer taxes may levy similar charges, e.g. property re-registration fees.

<sup>7</sup> The canton levies a minimum tax on property located in the canton on natural persons if this amount is higher than the income and wealth tax (or the total regular taxes payable in the canton).

<sup>8</sup> Canton Uri levies a minimum property tax on natural persons who pay less than CHF 300 cantonal, local and church tax in a given tax year.

<sup>9</sup> However, the periodic property tax is credited against the corporate income and capital tax of the same tax period as a minimum tax.

<sup>10</sup> Including social welfare duty

### Note

The information provided in this flyer is intended as a guide. Please contact a qualified tax advisor to discuss detailed tax calculations and tax optimisation measures.

# SMEs and their owners - Tax Tables 2023

Further information on direct federal tax and real estate capital gains tax is set out on page 1. The footnotes are also listed there.

SMEs (AG or GmbH)	AG <sup>1</sup>	AI	AR	BE	BL
<b>Corporate income tax</b>					
Tax rate on profit <b>after tax</b> (main town/city of canton, including direct federal tax)	19.42 %	14.50 %	15.00 %	26.65 %	18.90 %
Tax rate on <b>pre-tax</b> profit (effective tax rate, ETR)	16.26 %	12.66 %	13.04 %	21.04 %	15.90 %
<b>Capital tax</b>					
Tax rate on capital <b>after tax</b> (main town/city of canton)	0.1260 %	0.0500 %	0.0475 %	0.0227 %	0.1600 %
Cantonal relief for...	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans	None	Qualified participations, patents, intra-group loans
Minimum capital tax	No	Yes (CHF 500)	Yes (CHF 900)	No	Yes (CHF 500)
Income tax credited against capital tax	Yes	Yes	No	Yes	No
<b>Patent box</b>					
Relief	90 %	50 %	50 %	90 %	90 %
<b>Additional deduction for R&amp;D</b>					
Additional deduction	50 %	50 %	50 %	50 %	20 %
<b>Deduction for self-financing</b>					
Notional interest deduction	No	No	No	No	No
<b>Limit on relief</b>					
Limit on overall relief restriction from patent box, additional deduction for R&D and deduction for internal self-financing and step-up	70 %	50 %	50 %	70 %	50 %
<b>Minimum tax and property tax</b>					
Minimum tax replaces regular taxes (tax base or fixed amount where applicable)	Yes (CHF 840)	No	Yes (properties), if higher than tax on net profit and capital	No	No
Periodic property tax	No	Yes	No	Yes	No
Owners	AG <sup>1</sup>	AI	AR	BE	BL
<b>Income tax</b>					
Income tax rate (%) (main town/city of canton, including direct federal tax)	34.26 %	23.66 %	30.74 %	41.04 %	42.10 %
Lowest income tax rate in canton (%) (in brackets: commune, including direct federal tax) <sup>3</sup>	29.10 % (Oberwil-Lieli)	23.66 % (Appenzell)	26.84 % (Teufen)	36.95 % (Deisswil b. M.)	38.50 % (Rapperswil Jona)
Preferential taxation of dividends from qualifying investments held privately (Direct federal tax: 70%)	50 %	50 %	60 %	50 %	60 %
Tax on capital withdrawals from pension plans <sup>4</sup>	8.47 %	5.34 %	8.96 %	9.25 %	9.56 %
<b>Wealth tax</b>					
Wealth tax rate (%) (main town/city of canton)	0.44 %	0.23 %	0.41 %	0.24 %	0.54 %
Lowest wealth tax rate in canton (%) (in brackets: commune) <sup>3</sup>	0.34 % (Oberwil-Lieli)	0.23 % (Appenzell)	0.32 % (Teufen)	0.24 % (multiple)	0.48 % (Muri)
<b>Property taxes</b>					
Periodic property tax	No	Yes	No	Yes	No
Real estate capital gains tax rate (properties held privately) <sup>5</sup>	10.00 %	18.94 %	22.50 %	19.76 %	25.00 %
Property transfer tax (narrow definition) <sup>6</sup>	No	Yes	Yes	Yes	Yes

	BS	FR	GE	GL	GR	JU	LU
10.00 %	15.00 %	16.44 %	16.28 %	14.04 %	17.33 %	19.05 %	13.83 %
10.00 %	13.04 %	14.12 % <sup>10</sup>	14.00 %	12.31 %	14.77 %	16.00 %	12.15 %
10.00 %	0.1000 %	0.1900 %	0.4008 %	0.2460 %	0.4905 %	0.1868 %	0.1775 %
Participations, intra-group loans	Qualified participations, patents	Qualified participations, patents	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group assets (reduced fixed tax rate: 0.001 %)
(Art. 300)	No	No	No	No	Yes	No	No
10.00 %	No	Yes	Yes (limited initially)	No	No	No	No
10.00 %	90 %	90 %	10 %	10 %	90 %	90 %	10 %
10.00 %	No	50 %	50 %	No	50 %	50 %	No
10.00 %	No	No	No	No	No	No	No
10.00 %	40 %	20 %	9 %	10 %	55 %	70 %	20 % (or 70 % in case of step-up under old regime)
10.00 %	No <sup>9</sup>	Yes (gross income), if higher than tax on net profit and capital	No	No	CHF 200 from the 5 <sup>th</sup> fiscal year after foundation	No	CHF 500
10.00 %	Yes	Yes	Yes	No	Yes	Yes	No
	BS	FR	GE	GL	GR	JU	LU
10.00 %	40.34 %	35.26 %	44.74 %	31.08 %	32.18 %	38.90 %	30.31 %
10.00 % (multiple)	36.87 % (Bettingen)	28.78 % (Greng)	41.10 % (Genthod)	31.08 % (Glarus)	25.80 % (Rongellen)	36.10 % (Les Breuleux)	25.78 % (Meggen)
10.00 %	80 %	70 %	60 %	70 %	50 %	70 %	60 %
10.00 %	9.98 %	10.31 %	8.04 %	6.91 %	6.06 %	8.32 %	8.38 %
10.00 %	0.80 %	0.52 %	1.01 %	0.35 %	0.32 %	0.57 %	0.29 %
10.00 % (multiple)	0.69 % (Bettingen)	0.38 % (Greng)	0.92 % (Genthod)	0.35 % (Glarus)	0.22 % (Rongellen)	0.51 % (Les Breuleux)	0.22 % (Meggen)
10.00 %	No	Yes	Yes	No	Yes	Yes	No
10.00 %	15.60 %	16.00 %	10.00 %	11.80 %	25.50 %	25.65 %	19.93 %
10.00 %	Yes	Yes	Yes	No	Yes	Yes	Yes

	NE	NW	OW	SG	SH	SO	SZ	
	17.45 %	13.60 %	14.60 %	16.68 %	16.01 %	18.05 %	16.16 %	
	14.89 %	11.97 %	12.74 %	14.29 %	13.80 %	15.29 %	13.91 %	
	0.5000 %	0.0100 %	0.0010 %	0.0584 %	0.0048 %	0.1736 %	0.0118 %	
ts	Qualified participations, patents, intra-group loans	None	None	Qualified participations, patents, intra-group loans	None	Qualified participations, patents, intra-group loans	None	Qual
	No	Yes	Yes	No	No	Yes (CHF 200 resp. CHF 100)	Yes, if higher than income tax (capital tax is minimum tax)	
	Yes	No	No	Yes	No	Yes	No	
	20 %	90 %	90 %	50 %	90 %	90 %	90 %	
	50 %	50 %	50 %	40 %	25 %	50 %	50 %	
	No	No	No	No	No	No	No	
a e)	40 %	70 %	70 %	40 %	50 %	70 %	70 %	
	No	CHF 500	CHF 500	CHF 100 from the 5 <sup>th</sup> fiscal year after foundation	CHF 200 resp. CHF 100	Yes	Yes (CHF 393)	
	Yes	No	No	Yes	No	No	No	

	NE	NW	OW	SG	SH	SO	SZ	
	38.06 %	24.73 %	24.30 %	32.84 %	29.52 %	33.66 %	24.98 %	
	37.82 % (Milvignes)	22.50 % (Hergiswil)	24.30 % (Sarnen)	25.61 % (Balgach)	26.75 % (Buchberg)	29.25 % (Kammersrohr)	20.20 % (multiple)	(w
	60 %	50 %	50 %	70 %	60 %	70 %	50 %	
	8.76 %	5.61 %	7.42 %	7.22 %	5.88 %	7.84 %	8.81 %	
	0.68 %	0.12 %	0.14 %	0.42 %	0.42 %	0.27 %	0.20 %	
	0.68 % (multiple)	0.10 % (Hergiswil)	0.14 % (Sarnen)	0.28 % (Balgach)	0.35 % (Buchberg)	0.22 % (Kammersrohr)	0.12 % (multiple)	(w
	No	No <sup>7</sup>	No <sup>7</sup>	Yes	No	No	No	
	13.20 %	17.00 %	14.02 %	30.26 %	10.86 %	15.51 %	13.06 %	
	Yes	Yes	Yes	Yes	No	Yes	No	

TG	TI	UR	VD	VS	ZG	ZH
15.23 %	23.70 %	14.46 %	16.28 %	20.66 %	13.41 %	24.46 %
13.21 %	19.16 %	12.62 %	14.00 %	17.12 %	11.82 %	19.65 %
0.0407 %	0.2850 %	0.0010 %	0.1401 %	0.5073 %	0.0701 %	0.1710 %
Qualified participations, patents, intra-group loans	Patents; also qualifying investments for holding companies	None	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans	Qualified participations, patents, intra-group loans
Yes (CHF 200)	No	No	No	Yes (CHF 200)	No	No
Yes	Yes (limited 16 %)	No	Yes	No	No	No
40 %	90 %	30 %	60 %	90 %	90 %	90 %
30 %	50 %	No	50 %	50 %	50 %	50 %
No	No	No	No	No	No	Yes
50 %	70 %	50 %	50 %	50 %	70 %	70 %
Yes (CHF 542)	Yes (properties), if higher than income and capital tax	CHF 500	Yes (fixed amount and invested capital), if higher than income and capital tax	Yes (gross sales), if higher than income and capital tax	Yes (CHF 351)	No
Yes	Yes	No	Yes	Yes	No	No

TG	TI	UR	VD	VS	ZG	ZH
31.84 %	39.97 %	25.35 %	41.50 %	36.50 %	22.06 %	39.63 %
27.66 % (Arth-Weiningen)	34.41 % (Castel san Pietro)	25.06 % (Schattdorf)	41.50 % (multiple)	35.50 % (multiple)	21.97 % (Baar)	33.73 % (Kilchberg)
60 %	70 %	50 %	60 %	50 %	50 %	50 %
7.36 %	8.12 %	6.01 %	8.71 %	10.14 %	6.34 %	8.49 %
0.28 %	0.48 %	0.20 %	0.79 %	0.63 %	0.27 %	0.65 %
0.22 % (Arth-Weiningen)	0.38 % (Castel san Pietro)	0.19 % (Schattdorf)	0.68 % (Eclépens)	0.60 % (multiple)	0.26 % (Baar)	0.51 % (Kilchberg)
Yes	Yes	No <sup>a</sup>	Yes	Yes	No	No
16.00 %	5.00 %	10.78 %	9.00 %	8.88 %	10.00 %	18.94 %
Yes	Yes	No	Yes	Yes	No	No

# See the big picture.

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