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**Ordinance
on Value Added Tax
(Value Added Tax Ordinance, VAT Ordinance)**

of 27 November 2009 (Status as of 1 January 2025)

*The Swiss Federal Council,
based on the Value Added Tax Act of 12 June 2009¹ (VAT Act),
ordains:*

Title 1 General Provisions

Art. 1 Swiss territory
(Art. 3 let. a VAT Act)

Swiss ocean-going ships do not qualify as territory of the Swiss Confederation for the purposes of Article 3 letter a VAT Act.

Art. 2 Pledge and special terms of sale
(Art. 3 let. d VAT Act)

¹ The sale of goods represents a supply of goods even if a reservation of title is recorded.

² The transfer of ownership of goods as security or as a pledge does not represent a supply of goods. If the right under the transfer of ownership as security or under the pledge is enforced, a supply of goods takes place.

³ A sale of goods with simultaneous leaseback to the seller for use (sale and leaseback business) does not qualify as a supply of goods if at the time of the conclusion of the contract a re-transfer is agreed. In this case the service of the lessor does not qualify as making goods available for use, but as a financing service under Article 21 paragraph 2 number 19 letter a VAT Act.

Art. 3 Declaration of subjection on import of goods(Art. 7 para. 3 let. a VAT Act)²¹ ...³

² If the import is made in the supplier's own name based on a declaration of subjection, for serial transactions the prior supplies of goods are deemed to be made abroad and the subsequent supplies on Swiss territory.

³ If the supplier does not intend to import in its own name, it must disclose this on the customer's invoice.⁴

Art. 4⁵ Supply of goods from abroad onto Swiss territory from a warehouse on Swiss territory

(Art. 7 para. 1 VAT Act)

In relation to goods that have been moved from abroad into a warehouse on Swiss territory and are delivered from this warehouse, the place of supply is located abroad if the recipient of the supply and the consideration to be paid are known at the time the goods are moved onto Swiss territory and the goods are released for free circulation at the time of supply.

Art. 4a⁶ Time of change in the place of supply in respect of mail-order supplies

(Art. 7 para. 3 let. b VAT Act)

¹ Where goods supplied from abroad onto Swiss territory are exempt from import tax because of the negligible amount of tax due, the place of supply is deemed to be abroad until the end of the month in which the supplier reaches the turnover threshold of 100 000 francs from such supplies.

² From the following month the place of supply for all supplies made by the supplier from abroad onto Swiss territory is deemed to be on Swiss territory. From this time, the supplier must import the goods in its own name.

³ The place of supply remains on Swiss territory until the end of any calendar year in which the supplier fails to reach the turnover threshold of 100 000 francs from supplies in accordance with paragraph 1.

⁴ If the supplier fails to reach the turnover threshold but does not notify the Federal Tax Administration (FTA) of this fact in writing, the supplier is deemed to be subject to the VAT Act in accordance with Article 7 paragraph 3 letter a.⁷

² Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

³ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

⁴ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁵ Amended by No I of the O of 30 Oct. 2013, in force since 1 Jan. 2014 (AS **2013** 3839).

⁶ Inserted by No I of the O of 15 Aug. 2018, in force since 1 Jan. 2019 (AS **2018** 3143).

⁷ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

Art. 5 Permanent establishment

(Art. 7 paras. 2, 8 and 10 para. 3 VAT Act)

¹ A permanent establishment is a fixed place of business through which the activity of the business is wholly or partly carried on.

² In particular the following qualify as permanent establishments:

- a. branches;
- b. factories;
- c. workshops;
- d. points of purchase or sale;
- e. permanent representations;
- f. mines and other sites for the extraction of natural resources;
- g. construction and assembly sites lasting for at least twelve months;
- h. property used for agricultural, grazing and forestry purposes.

³ In particular the following are not permanent establishments:

- a. pure distribution warehouses;
- b. means of transport that are employed for their original purpose;
- c. information, representation and advertising offices of businesses that are authorised only to perform corresponding support activities.

Art. 5a⁸ Shipping traffic on Lake Constance, the Untersee and the Rhine to the Swiss border below Basel

(Art. 8 para. 2 let. c VAT Act)

Passenger transport by ship on Lake Constance, the Untersee and the Rhine between the Untersee and the Swiss border below Basel is deemed to be a supply made abroad.

Art. 6 Transport services

(Art. 9 VAT Act)

A transport service is also given if a means of transport with operating staff is made available for transport purposes.

Art. 6a⁹ Place of supply for restaurant, cultural and similar supplies while transporting passengers in border areas

(Art. 9 VAT Act)

¹ If supplies under Article 8 paragraph 2 letters c and d VAT Act are made while transporting passengers in border areas that are partly on Swiss territory and partly abroad or are on Lake Constance, and if the place of supply cannot be clearly determined as being on Swiss territory or abroad, the supply is deemed to be made at the

⁸ Inserted by No I of the O of 12 Oct. 2011, in force since 1 Jan. 2012 (AS **2011** 4739).

⁹ Inserted by No I of the O of 12 Oct. 2011, in force since 1 Jan. 2012 (AS **2011** 4739).

place where the person making the supply has its place of business, or a permanent establishment or, in the absence of such a place of business or such a permanent establishment, its domicile or the place from which it works.

² If the taxable person proves that a supply under paragraph 1 was made abroad, Article 8 paragraph 2 letters c and d VAT Act applies.

Title 2 Domestic Tax

Chapter 1 Taxable Person

Section 1 Business Activity and Turnover Threshold

Art. 7 Permanent establishments of foreign businesses (Art. 10 VAT Act)

All permanent establishments on Swiss territory of a business domiciled abroad qualify together as a single independent taxable person.

Art. 8¹⁰

Art. 9¹¹ Exemption and termination of the exemption from tax liability for Swiss businesses (Art. 10 para. 2 let. a and c and 14 para. 1 let. a and 3 VAT Act)

¹ Businesses with place of business, domicile or permanent establishment on Swiss territory that commence their activity or extend their activity by taking over a business or opening a new business division are exempt from tax liability if at the time, based on the circumstances, it must be assumed that the turnover threshold referred to in Article 10 paragraph 2 letter a or c VAT Act for supplies made on Swiss territory and abroad will not be achieved in the following twelve months. If it is not yet possible at the time to assess whether the turnover threshold will be achieved, a re-assessment must be carried out within three months at the latest.

² Where it must be assumed based on the re-assessment that the turnover threshold will be achieved, the exemption from tax liability ends either:

- a. on the date of commencement or expansion of the activity; or
- b. on the date of the re-assessment, but at the latest at the beginning of the fourth month.

³ For businesses previously exempt from tax liability, the exemption from tax liability ends with the business year in which the relevant turnover threshold is achieved. If the activity giving rise to tax liability was not carried on for a full year, the turnover must be extrapolated to a full year.

¹⁰ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

¹¹ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

Art. 9a¹² Exemption and termination of the exemption from tax liability
for foreign businesses

(Art. 10 para. 2 let. a and c and 14 para. 1 let. b and 3 VAT Act)

¹ Businesses that do not have a place of business, domicile or permanent establishment on Swiss territory that make a supply for the first time on Swiss territory are exempt from tax liability if at the time, based on the circumstances, it must be assumed that the turnover threshold referred to in Article 10 paragraph 2 letter a or c VAT Act for supplies made on Swiss territory and abroad not will be achieved within the following twelve months. If it is not yet possible at the time to assess whether the turnover threshold will be achieved, a re-assessment must be carried out within three months at the latest.

² Where it must be assumed based on the re-assessment that the turnover threshold will be achieved, the exemption from tax liability ends either:

- a. when a supply is made for the first time on Swiss territory; or
- b. on the date of the re-assessment, but at the latest at the beginning of the fourth month.

³ For businesses previously exempt from tax liability, the exemption from tax liability ends with the business year in which the relevant turnover threshold is achieved. If the activity giving rise to tax liability was not carried on for a full year, the turnover must be extrapolated to a full year.

Art. 10 Telecommunication and electronic services

(Art. 10 para. 2 let. b VAT Act)

¹ Telecommunication and electronic services are in particular:

- a. radio and television services;
- b. the provision of access authorisation, in particular to fixed line and mobile networks, to satellite communication and to other information networks;
- c. the provision and guarantee of data transfer capacity;
- d. the provision of websites, webhosting, and the tele-servicing of programs and equipment;
- e. the electronic provision of software and its updating;
- f. the electronic provision of images, texts and information and the provision of databases;
- g.¹³ the electronic provision of music, films and games, including gambling.

² Telecommunication or electronic services do not include in particular:

- a. the mere communication between the persons providing and receiving the service by wire, wireless, optical or other electro-magnetic media;

¹² Inserted by No I of the O of 12 Nov. 2014 (AS **2014** 3847). Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹³ Amended by Annex 2 No II 2 of the Gambling Ordinance of 7 Nov. 2018, in force since 1 Jan. 2019 (AS **2018** 5155).

- b. educational services within the meaning of Article 21 paragraph 2 number 11 VAT Act in interactive form;
- c. the mere lending for use of precisely designated equipment or equipment parts for the sole use of the lessee for the transmittal of data.

Art. 11¹⁴**Section 2 Public Authorities**
Art. 12 Taxable person
 (Art. 12 para. 1 VAT Act)

¹ The sub-division of a public authority into agencies follows the classification in the financial accounts, provided this corresponds with the organisational and functional structure.

² Other public law institutions covered by Article 12 paragraph 1 VAT Act are:

- a. Swiss and foreign public corporations such as special-purpose associations;
- b. public law institutions with their own legal personality;
- c. public law foundations with their own legal personality;
- d. simple partnerships of public authorities.

³ For purposes of cross-border collaboration, foreign public authorities may also be included in special-purpose associations and simple partnerships.

⁴ An institution within the meaning of paragraph 2 is a taxable person as a whole.

Art. 13¹⁵
Art. 14 Business supplies of a public authority
 (Art. 12 para. 4 VAT Act)

The following supplies in particular of public authorities are of a business character and therefore taxable:¹⁶

- 1. services in the field of radio and television, telecommunication services and electronic services;
- 2. supplies of water, gas, electricity, thermal energy, ethanol, denaturing agents and similar goods;
- 3. transport of goods and people;
- 4. services in harbours and airports;

¹⁴ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

¹⁵ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

¹⁶ Amended by No I of the O of 18 June 2010, in force since 1 Jan. 2010 (AS **2010** 2833).

5. supplies of new finished goods for sale;
- 6.¹⁷ ...
7. organising fairs and exhibitions with a commercial character;
8. operating sports facilities, such as public baths and skating rinks;
9. warehousing;
10. activities of commercial advertising offices;
11. activities of travel agents;
12. supplies by factory canteens, staff restaurants, sales offices and similar establishments;
13. activities of public notaries;
14. activities of surveying offices;
15. activities in the field of waste disposal;
16. activities financed by prepaid disposal fees based on Article 32a^{bis} of the Environmental Protection Act of 7 October 1983¹⁸ (EPA);
17. activities in the course of the construction of traffic infrastructure;
18. exhaust gas inspections;
19. advertising services.

Section 3 Group Taxation

Art. 15 Common management (Art. 13 VAT Act)

There is common management if the behaviour of a legal entity is controlled by the majority of the votes, by contract or by other means.

Art. 16 Group members (Art. 13 VAT Act)

¹ Unincorporated entities without legal capacity are equivalent to legal entities for the purpose of Article 13 VAT Act.

² Insurance agents may be members of a group.

³ ...¹⁹

¹⁷ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

¹⁸ SR **814.01**

¹⁹ Repealed by No I of the O of 12 Nov. 2014, with effect from 1 Jan. 2015 (AS **2014** 3847).

Art. 17 Formation of a group

(Art. 13 VAT Act)

¹ The members of the VAT group may be freely determined from among those entitled to participate in the group taxation.

² The formation of several sub-groups is permissible.

Art. 17a²⁰ Group representative

(Art. 13 VAT Act)

The group representative may be:

- a. a member of the VAT group domiciled on Swiss territory; or
- b. a person who is not a member of the VAT group but who is domiciled or has a place of business on Swiss territory.

Art. 18²¹ Request for group taxation

(Art. 13, 65a para. 1 and 67 para. 2 VAT Act)

¹ On request, the FTA shall enter the group in the register of taxable persons (VAT register).

² If the conditions set out in Article 13 paragraph 1 of the VAT Act for group taxation are met at the beginning of the tax period, the FTA shall register the group as of this date, provided that

- a. none of the legal entities concerned has submitted a tax return for the tax period for which group taxation is requested; and
- b. the deadline for submitting the tax return in accordance with Article 71 paragraph 1 of the VAT Act has not expired.

³ If the conditions set out in Article 13 paragraph 1 of the VAT Act for group taxation are only met during the current tax period, the FTA shall register the group as of this date, provided that

- a. none of the legal entities concerned has submitted a tax return for the reporting? period in which the conditions for the application of group taxation were met; and
- b. the deadline for submitting the tax return in accordance with Article 71 paragraph 1 of the VAT Act has not expired.

⁴ The request must enclose written declarations by each group member, in which they declare their consent to group taxation and its effects and to joint representation by the group member or person designated in the application.

²⁰ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

²¹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

Art. 19 Changes in the group representation

(Art. 13 VAT Act)

¹ Notice must be given to the FTA of any change in the representative of a VAT group.²²

² If the former group representative resigns and notice of a new group representative is not given to the FTA, the FTA may after prior warning designate one of the group members as the group representative.²³

³ The group members may jointly withdraw the mandate from the group representative provided that at the same time they designate a new group representative. Paragraph 1 applies by analogy.

Art. 20²⁴ Changes in the composition of a group

(Art. 13 VAT Act)

¹ If a member no longer fulfils the requirements for participating in the group taxation in accordance with Article 13 paragraph 1 VAT Act, the group representative must notify the FTA.

² On request, the legal entity may join an existing group at the beginning of the following tax period or a member can leave a group at the end of the current tax period.

³ If a legal entity meets the requirements of Article 13 paragraph 1 VAT Act for participation in the group taxation for the first time during the current tax period, admission to an existing VAT group may also be applied at the time these requirements are met provided:

- a. neither the VAT group nor the newly admitted legal entity has submitted a tax return for the reporting period in which the conditions for participation in group taxation were met; and
- b. the deadline for submitting the tax return in accordance with Article 71 paragraph 1 of the VAT Act has not expired.

Art. 21 Administrative and accounting requirements

(Art. 13 VAT Act)

¹ The members must close their accounts on the same balance sheet date; this does not apply to holding companies if for accounting reasons they have a different balance sheet date.

² Every member must prepare an internal tax return, which must be consolidated in the VAT group's return.

²² Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

²³ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

²⁴ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

Art. 22 Joint and several liability for group taxation

(Art. 15 para. 1 let. c VAT Act)

¹ The joint and several liability of a member of a VAT group extends to all tax, interest and cost claims that arise during its membership, with the exception of fines.

² If legal enforcement has been initiated against a group member, additional tax has been claimed by an assessment notice from the group representative or if an audit has been announced, a group member may not elude joint and several liability by withdrawing from the group.

Section 4 Liability on the Assignment of Claims**Art. 23** Amount of the assignment

(Art. 15 para. 4 VAT Act)

When part of a claim to a consideration is assigned, the VAT is also assigned in the same proportion. Assignment of a net claim without VAT is not possible.

Art. 24 Amount of the liability

(Art. 15 para. 4 VAT Act)

¹ Liability under Article 15 paragraph 4 VAT Act is limited to the amount of the VAT amount that has actually been collected by the assignee during an enforcement procedure against the taxable person from the time of pledge or from the time bankruptcy proceedings are opened.

² In a pledge or pledge realisation procedure against a taxable person, the FTA must inform the assignee immediately after receipt of the pledge deed of its liability.

³ After bankruptcy proceedings are opened against a taxable person, the FTA may claim on the liability of the assignee irrespective of prior notification.

Art. 25 Release from liability

(Art. 15 para. 4 VAT Act)

By remitting to the FTA the VAT also assigned and collected with the claim the assignee is released in the same amount from the liability.

Chapter 2 Object of Taxation

Section 1 Supply Relationship

Art. 26²⁵ Supplies to closely related persons
(Art. 18 para. 1 VAT Act)

The provision of supplies to closely related persons constitutes a supply relationship. Assessment is governed by Article 24 paragraph 2 VAT Act.

Art. 27 Prepaid disposal fees
(Art. 18 para. 1 VAT Act)

Private organisations within the meaning of Article 32a^{bis} EPA²⁶ make supplies to manufacturers and importers through their activities. The prepaid disposal fees are a consideration for these services.

Art. 28 Cross-border posting of employees within a group of companies
(Art. 18 VAT Act)

A supply relationship does not exist in the cross-border posting of employees within a group, if:

- a. a foreign employer employs an employee in a deployment operation on Swiss territory belonging to the same group of companies or an employer employs an employee in a foreign deployment operation belonging to the same group;
- b. the employee works for the deployment operation but retains the employment contract with the posting business; and
- c. the wages, social security contributions and related expenses are charged by the posting employer to the deployment operation without a surcharge.

Art. 29 Subsidies and other public law contributions
(Art. 18 para. 2 let. a VAT Act)

¹ Subject to Article 18 paragraph 3 VAT Act, subsidies or other public contributions are in particular amounts paid by public authorities as:²⁷

- a. financial assistance within the meaning of Article 3 paragraph 1 of the Subsidies Act of 5 October 1990²⁸ (SubA);
- b. compensation within the meaning of Article 3 paragraph 2 letter a SubA, provided if a supply relationship exists;
- c. research contributions, provided the public authority does not have an exclusive right to the results of the research;

²⁵ The correction of 12 Dec. 2017 only concerns the French text (AS **2017** 7263).

²⁶ SR **814.01**

²⁷ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

²⁸ SR **616.1**

- d. cash flows comparable with letters a–c that are paid under cantonal and communal law.”

² A public authority may designate funds to the recipient as a subsidy or other contribution under public law up to the expiry of the deadline under Article 72 paragraph 1 of the VAT Act for the tax period in which the payment is made.²⁹

Art. 30 Remittance of cash flows that do not constitute considerations
(Art. 18 para. 2 VAT Act)

¹ Cash flow remittances that do not constitute considerations under Article 18 paragraph 2 VAT Act, in particular within educational and research cooperation projects, are not subject to the tax.

² The input tax deduction under Article 33 paragraph 2 VAT Act must be made by the last payment recipient.

Section 2 Plurality of Supplies

Art. 31 Special tools
(Art. 19 para. 1 VAT Act)

¹ Special tools that a taxable person purchases, has made to order, or makes specifically for the performance of a manufacturing contract constitute part of the supply of the goods that they are used to manufacture. It is irrelevant whether the special tools:

- a. are invoiced to the recipient of the supply separately or are included in the price of the products;
- b. are delivered to the recipient of the supply or to a third person designated by the recipient of the supply, or not after performance of the manufacturing contract.

² Special tools are in particular printing plates, photolithos and photo settings, punching and draw tools, gauges, jigs, pressing and spraying forms, castings, foundry modules, dies and films for printed circuits.

Art. 32³⁰ Aggregated units and combinations of supplies
(Art. 19 para. 2 VAT Act)

Article 19 paragraph 2 VAT Act applies by analogy when determining whether in the case of combinations of supplies the place of supply is located on Swiss territory or abroad.

²⁹ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

³⁰ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

Art. 33 Applicability of the import tax assessment for the Swiss tax
(Art. 19 para. 2 VAT Act)

An import tax assessment under Article 112 also applies to the Swiss tax, provided the combination of supplies was not processed or changed after the import assessment.

Section 3 Supplies exempt from the Tax without Credit

Art. 34 Human medical treatment
(Art. 21 para. 2 no 3 VAT Act)

¹ Human medical treatment is the diagnosis and treatment of illnesses, injuries and other disorders of the physical and mental health of humans and activities that serve the prevention of human illnesses and health disorders.

² The following are equivalent to human medical treatment:

- a. special maternity services, such as check-ups, birth preparation or breast-feeding advice;
- b. examinations, consultations and treatment related to artificial insemination, contraception or abortion;
- c. supplies of goods and supplies of services by a doctor or a dentist when destined for a medical report or an expert opinion for the assessment of social security claims.

³ The following in particular do not constitute human medical treatment:

- a. examinations, consultations and treatment solely for the purposes of enhancing wellbeing or performance or which are provided merely for aesthetic reasons, unless the examination, advice or treatment is provided by a doctor or dentist who is authorised to practise on Swiss territory;
- b. the examinations carried out for the purpose of writing an expert report which are not related to a specific treatment of the person examined, except for the cases under paragraph 2 letter c;
- c. the dispensing of medicines or of medical appliances, unless they are used by the person providing the treatment in the course of human medical treatment;
- d. the dispensing of self-manufactured or purchased prostheses and orthopaedic equipment, even if this takes place in the course of human medical treatment; a prosthesis is a replacement body part that can be separated from the body without an operation and reinserted or attached;
- e. basic care actions; these constitute nursing care services under Article 21 paragraph 2 number 4 VAT Act.

Art. 35 Requirement for recognition as a provider of human medical treatment

(Art. 21 para. 2 no 3 VAT Act)

¹ A provider possesses a licence to practise its profession within the meaning of Article 21 paragraph 2 number 3 VAT Act, if it:

- a. is in possession of the licence to practise its profession independently required by the cantonal law; or
- b. is accredited to provide human medical treatment in accordance with the cantonal law.

² Members of human medical and nursing professions within the meaning of Article 21 paragraph 2 number 3 VAT Act are in particular:

- a. doctors;
- b. dentists;
- c. dental technicians;
- c^{bis,31} dental hygienists;
- d. psychotherapists;
- d^{bis,32} psychologists;
- e. chiropractors;
- f. physiotherapists;
- g. ergotherapists;
- h. naturopaths, non-medical practitioners, natural non-medical practitioners;
- i. childbirth carers and midwives;
- j. nurses;
- k. medical masseurs and masseuses;
- l. speech therapists;
- m. dietary advisers;
- n. podologists;
- o.³³ ...
- p.³⁴ pharmacists;
- q.³⁵ optometrists.

³¹ Inserted by No I of the O of 30 Oct. 2013, in force since 1 Jan. 2014 (AS **2013** 3839).

³² Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

³³ Inserted by No II of the O of 18 Dec. 2020 (Sars-CoV-2 Rapid Tests) (AS **2020** 5801). Amended by No I of the O of 17 Dec. 2021, in force since 1 Jan. 2022 until 31 Dec. 2022, extended to 30 June 2024 (AS **2021** 891; **2022** 838).

³⁴ Inserted by No II of the O of 27 Jan. 2021 (AS **2021** 53). Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

³⁵ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

Art. 36 Cultural supplies

(Art. 21 para. 2 nos 14 and 16 VAT Act)

¹ ...³⁶

² Creators within the meaning of Article 21 paragraph 2 number 16 VAT Act are creators of works under Articles 2 and 3 CopA, to the extent they provide cultural supplies of services and supplies of goods.

Art. 37³⁷**Art. 38**³⁸ Cooperation between public authorities

(Art. 21 para. 2 Sec. 28 let. b and c VAT Act)

¹ Interests of public authorities in private or public companies within the meaning of Article 21 paragraph 2 number 28 letter b VAT Act include both direct and indirect equity interests.

² Institutions and foundations established by public authorities within the meaning of Article 21 paragraph 2 number 28 letter c VAT Act include institutions and foundations both directly and indirectly established by public authorities.

³ The tax exemption extends to:

- a. supplies between private or public companies whose equity interests are held exclusively by public authorities, and:
 1. companies held exclusively by such companies, whether directly or indirectly, or
 2. the institutions and foundations of which they are the sole founders or sponsors;
- b. supplies between institutions or foundations whose founders or sponsors are exclusively public authorities, and:
 1. the companies held exclusively by these institutions or foundations, whether directly or indirectly, or
 2. the institutions and foundations of which they are the sole founders or sponsors.³⁹

Art. 38a⁴⁰ Educational and research institutions

(Art. 21 para. 7 VAT Act)

¹ Educational and research institutions are:

- a. higher education institutions supported by the Confederation and cantons under Article 63a of the Federal Constitution⁴¹ in accordance with a legal basis;

³⁶ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

³⁷ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

³⁸ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

³⁹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁴⁰ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁴¹ SR **101**

- b. non-profit organisations under Article 3 letter j VAT Act, and public authorities under Article 12 VAT Act;
- c. public hospitals, irrespective of their legal form.

² Private sector businesses do not qualify as educational and research institutions.

Art. 39⁴² Option for the taxation of supplies exempt from the tax without credit
(Art. 22 VAT Act)

The option for declaration in the tax return must be exercised in the tax period in which the sales tax debt arose. On expiry of the finalisation deadline under Article 72 paragraph 1 VAT Act, it is no longer possible to exercise the option or not to continue with an exercised option.

Section 4 Supplies exempt from the Tax with Credit

Art. 40⁴³

Art. 41 Tax exemption with credit for international air traffic
(Art. 23 para. 4 VAT Act)

¹ Exempt from the tax with credit are:

- a. transport by air where either the place of arrival or of departure lies on Swiss territory;
- b. transport by air from one foreign airport to another foreign airport crossing Swiss territory.

² Domestic sections of international flights are exempt from tax with credit if the flight is interrupted on Swiss territory only by a technical stopover or to change to a connecting flight.

Art. 42 Tax exemption with credit for international rail traffic
(Art. 23 para. 4 VAT Act)

¹ Cross-border transport by rail is exempt from the tax with credit, subject to paragraph 2, provided it is a section of a journey for which there is an international ticket. This includes:

- a. transport on sections of a journey where either the departure or the arrival station lies on Swiss territory;
- b. transport on Swiss sections of a journey used in transit to link the departure and the arrival stations located abroad.

⁴² Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

⁴³ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS 2017 6307).

² For the tax exemption with credit, the portion of the ticket price covering the foreign section of the journey must be higher than the VAT not chargeable because of the tax exemption with credit.

³ No tax exemption with credit is granted on the sale of flat price tickets, in particular the GA Travelcards and the Half-Fare Travelcards that are used in whole or part for tax exempt transport.

Art. 43 Tax exemption with credit for international bus traffic

(Art. 23 para. 4 VAT Act)

¹ Exempt from the tax with credit is the transport of persons by bus or coach on sections of a journey which:

- a. pass predominantly over foreign territory; or
- b. are used in transit to link the places of departure and of arrival located abroad.

² Exempt from the tax with credit is the transport of persons on purely Swiss sections of a journey solely in order to carry a person directly to a transport service under paragraph 1, provided it is invoiced together with the transport service under paragraph 1.

Art. 43a⁴⁴ Waiver of tax-free supply to platforms

(Art. 23 para. 2 No 13 VAT Act)

With the consent of the supplier in accordance with Article 20a of the VAT Act, the seller may invoice the deemed supply of goods on Swiss territory to the supplier with tax. Consent is not required if an administrative measure pursuant to Article 79a of the VAT Act has been imposed on the supplier in accordance with Article 20a of the VAT Act.

² The supplier in accordance with Article 20a of the VAT Act may deduct the tax as input tax.

Art. 44⁴⁵

Chapter 3 Assessment Basis and Tax Rates

Section 1 Assessment Basis

Art. 45 Considerations in foreign currency

(Art. 24 para. 1 VAT Act)

¹ For purposes of calculating the VAT payable, considerations paid in foreign currency must be converted into national currency at the date the tax claim arises.

⁴⁴ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

⁴⁵ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS 2024 485).

² A consideration is in foreign currency if the invoice or the receipt is issued in foreign currency. If no invoice or receipt is issued, the book entry of the supplier applies. It is irrelevant whether the payment is in national or foreign currency and in which currency the change is paid.

³ The conversion is made on the basis of the rate of exchange published by the FTA, whereby the taxable person may elect to use the average monthly rate or the daily exchange rate.⁴⁶

^{3bis} Where the FTA does not publish an exchange rate for a foreign currency, the daily exchange rate for the sale of the foreign currency published by a Swiss bank applies.⁴⁷

⁴ Taxable persons that are members of a group of companies may use the group conversion rate for their conversion. This rate must be applied both to supplies within the group of companies and in relation to third parties.⁴⁸

⁵ The procedure chosen (monthly average, daily or group rates) must be retained for at least one tax period.

Art. 46 Credit card commissions and cheque charges

(Art. 24 para. 1 VAT Act)

In particular credit card commissions, cheque charges, WIR rebates, etc. do not constitute reductions of considerations.

Art. 47 Supplies to employees

(Art. 24 VAT Act)

¹ On supplies to employees for consideration, the tax must be calculated on the consideration actually received. Article 24 paragraphs 2 and 3 VAT Act is reserved.

² Supplies made by the employer to employees which must be declared in the salary certificate are deemed to be made with consideration. The tax must be calculated on the amount that is also applicable for direct taxes.

³ Supplies which do not have to be declared in the salary certificate constitute supplies made without consideration and it is assumed that a business reason exists.

⁴ Where lump sums that are permissible for determining the wage elements applicable for direct tax purposes may also serve to assess the VAT, they may also be used for VAT purposes.

⁵ When applying paragraphs 2–4, it is irrelevant whether the persons concerned are closely related persons as stipulated under Article 3 letter h VAT Act.⁴⁹

⁴⁶ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁴⁷ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁴⁸ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁴⁹ The correction of 12 Dec. 2017 only concerns the French text (AS **2017** 7263).

Art. 48 Cantonal contributions to water, sewage or waste funds

(Art. 24 para. 6 let. d VAT Act)

¹ The FTA shall establish for every fund the amount of the deduction in per cent which applies to the individual affiliated waste disposal organisations and waterworks.

² It shall take into consideration that:

- a. the fund does not pay out all the contributions received; and
- b. the taxable customers of waste disposal services and water supplies have deducted the tax thereon invoiced to them in full as input tax.

Section 1a⁵⁰ Margin Taxation**Art. 48a** Works of art, antiques and other collectors' items

(Art. 24a para. 4 VAT Act)

¹ Works of art means the following physical works by creators as referred to in Article 21 paragraph 2 number 16 VAT Act:

- a. pictorial works personally created by artists such as oil paintings, water colours, pastels, drawings, collages and the like; exempted therefrom are plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, hand-decorated manufactured articles, theatrical scenery, studio back cloths or the like of painted canvas;
- b. original engravings, prints and lithographs, being impressions produced in limited numbers directly in black and white or in colour of one or more plates executed entirely by hand by the artist, irrespective of the process or of the material employed, but not including any mechanical or photomechanical process;
- c. serigraphs that display the features of an original individually created artistic work, have been produced in limited numbers and have been executed from reproduction forms completely hand-made by the creator;
- d. original sculptures and statuary, in any material, provided that they are executed entirely by the artist; sculpture casts the production of which is in limited numbers and supervised by the artist or his successors in title;
- e. tapestries and wall textiles made by hand from original designs provided by artists, provided that the production is in limited numbers;
- f. individual pieces of ceramics executed entirely by and signed by the artist;
- g. enamels on copper, executed entirely by hand, produced in limited numbers and bearing the signature of the artist or the studio;
- h. photographs taken by the artist, printed by the artist or under the artist's supervision in limited numbers, and signed and numbered by the artist;

⁵⁰ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

- i. works of art personally created by the artist in limited numbers that are not mentioned in letters a–h.

² Antiques are moveable goods that are more than 100 years old.

³ Collectors' items are in particular also:

- a. postage stamps, revenue stamps, postmarks first-day covers, postal stationery and the like, used, or if unused not current and not intended to be current;
- b. zoological, botanical, mineralogical or anatomical collectors' items and collections; collectors' items of historic, archaeological, palaeontological, ethnological or numismatic interest;
- c. motor vehicles first registered on purchase more than 30 years previously;
- d. wines and other alcoholic beverages the vintage of which is displayed and which may be individualised by numbering or by other means;
- e. goods made of precious metal, clad with precious metal, gemstones, precious stones and the like, such as jewellery, watches and coins, that have a collector's value.

Art. 48b Margin taxation of goods purchased for a total price

(Art. 24a para. 5 VAT Act)

¹ Where the reseller has purchased collectors' items for a total price, it must apply the margin taxation to the sale of all these collectors' items.

² The consideration from the resale of individual collectors' items purchased for a total price must be declared in the reporting period in which it was generated. As soon as the considerations exceed the total price when added together, they become taxable.

³ Where collectors' items are purchased with other goods for a total price the margin taxation only applies if the portion of the purchase price attributable to the collectors' items can be estimated.

Art. 48c Invoicing

(Art. 24a VAT Act)

Where the taxable person details the tax on the resale of collectors' items clearly on the invoice, it must pay the tax and may neither apply margin taxation nor deduct the notional input tax.

Art. 48d Records

(Art. 24a VAT Act)

The taxable person must carry out a check at the time of acquisition and sale in relation to the collectors' items. In the case of goods purchased for a total price, separate records must be kept for each overall purchase.

Art. 48⁵¹ Margin taxation for digital platforms

(Art. 24a VAT Act)

A person who is deemed to be a supplier under Article 20a of the VAT Act may only apply margin taxation if the seller of the goods is domiciled on Swiss territory and is not entered in the VAT register.

Section 2 Tax Rates**Art. 49⁵²** Medication

(Art. 25 para. 2 let. a no 8 VAT Act)

Medication is defined as:

- a. authorised ready-to-use medicinal products and premixed veterinary medicinal products in accordance with Article 9 paragraph 1 of the Therapeutic Products Act of 15 December 2000⁵³ (TPA) and the related finished Galenic products;
- b.⁵⁴ ready-to-use medicinal products that do not require authorisation under Article 9 paragraphs 2 and 2^{ter} TPA, with the exception of human and animal whole blood;
- c.⁵⁵ ready-to-use medicinal products that have been temporarily authorised under Article 9a TPA or temporarily licensed under Article 9b TPA;
- d.⁵⁶ non-authorised ready-to-use medicinal products under Articles 48 and 49 paragraphs 1–4 of the Medicinal Products Licensing Ordinance of 14 November 2018⁵⁷ and Article 7–7c of the Veterinary Medicinal Products Ordinance of 18 August 2004⁵⁸.

Art. 50 Newspapers and magazines without advertising character

(Art. 25 para. 2 let. a no. 9 VAT Act)

Newspapers and magazines without advertising character are printed matter that fulfils the following conditions:

- a. they appear periodically, at least twice a year;
- b. they provide up-to-date information or entertainment;
- c. they always bear the same title;
- d. they are consecutively numbered and contain the date and the frequency of publication;

⁵¹ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

⁵² Amended by No I of the O of 18 June 2010, in force since 1 Jan. 2010 (AS 2010 2833).

⁵³ SR 812.21

⁵⁴ Amended by No I of the O of 8 March 2019, in force since 1 April 2019 (AS 2019 911).

⁵⁵ Amended by No I of the O of 8 March 2019, in force since 1 April 2019 (AS 2019 911).

⁵⁶ Amended by No III 1 of the O of 3 June 2022, in force since 1 July 2022 (AS 2022 349).

⁵⁷ SR 812.212.1

⁵⁸ SR 812.212.27

- e. they are presented as newspapers or magazines;
- f. they are not made up predominantly of space for entering text or other material.

Art. 50a⁵⁹ Electronic newspapers and magazines without advertising character
(Art. 25 para. 2 let. abis VAT Act)

¹ Electronic newspapers and magazines without advertising character are electronic products that:

- a. are transmitted electronically or offered on data carriers;
- b. are predominantly text or image-based; and
- c. essentially fulfil the same purpose as printed newspapers and magazines under Article 50.

² Electronic newspapers and magazines without advertising character also include audio newspapers and magazines whose content largely corresponds to that of the original work.

Art. 51 Books and other printed matter without advertising character
(Art. 25 para. 2 let. a no 9 VAT Act)

Printed matter which fulfils the following conditions constitutes books and other printed matter without advertising character:

- a. they are in the form of books, brochures or loose-leaf books; loose leaf products are books if they consist of a binding cover, fitted with a screw post, spiral or ring binder and the loose leaf pages to be filed therein contain when complete at least 16 pages and the title of the work appears on the binding cover;
- b. including the jacket and the cover page they contain at least 16 pages, with the exception of children's books, printed music and parts of loose-leaf works;
- c. the content is religious, literary, artistic, entertaining, educational, instructive, informative, technical or scientific;
- d. they are not designed to be written in or to store pictures for collection, with the exception of school and instruction books and certain children's books, such as exercise books with illustrations and supplementary text and drawing and painting books with designs and instructions.

Art. 51a⁶⁰ Electronic books without advertising character
(Art. 25 para. 2 let. abis VAT Act)

¹ Electronic books without advertising character are electronic products that:

- a. are transmitted electronically or offered on data carriers;

⁵⁹ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁶⁰ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

- b. are self-contained, predominantly text or image-based and non-interactive individual works; and
- c. serve essentially the same function as printed books in terms of Article 51.

² Electronic books without advertising character also include audiobooks whose content largely corresponds to that of the original work.

Art. 52⁶¹ Advertising character

(Art. 25 para. 2 let. a no 9 VAT Act)

¹ Printed and electronic products have advertising character if their content is clearly designed to promote the business activity of the publisher or of a third party behind the publisher.

² Third parties behind a publisher are:

- a. persons and businesses, on whose behalf the publisher acts; or
- b. other persons closely related to the publisher within the meaning of Article 3 letter h VAT Act.

³ Advertising is both direct advertising, such as advertisements, and indirect advertising, such as advertorials or infomercials.

Art. 53 Preparation on the premises and food service

(Art. 25 para. 3 VAT Act)

¹ Preparation is the cooking, heating, mixing, preparation and blending of food⁶². The mere maintaining of the temperature of food ready for consumption is not considered preparation.

² Food service is in particular the arrangement of food on plates, the setting up of cold or warm buffets, the pouring of drinks, the laying and clearing of tables, the serving of the guests, the management or supervision of the serving staff and the operation and provisioning of self-service buffets.

Art. 54 Special consumption installations on the premises

(Art. 25 para. 3 VAT Act)

¹ Special installations for the consumption of food on the premises (consumption installations) consist of tables, bar tables, counters and other eating surfaces provided for consumption or similar installations, in particular in means of transport. It is irrelevant:

- a. to whom the installations belong;
- b. whether the customer actually uses the installation;

⁶¹ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁶² Revision of term relevant only to Swiss language versions in accordance with Annex No 1 of the Ordinance on Foodstuffs and Utility Articles of 16 Dec. 2016, in force since 1 May 2017 (AS **2017** 283).

- c. whether the installations are sufficient to enable all customers to consume on the premises.

² The following do not constitute consumption installations:

- a. mere seating accommodation for resting purposes without associated tables;
- b. in kiosks or restaurants on camping sites: the tents and caravans of the tenants.

Art. 55 Food for takeaway or delivery

(Art. 25 para. 3 VAT Act)

¹ Delivery is the supply of food by the taxable person to customers at their homes or to another place designated by them without further preparation or service.

² Takeaway food is food which the customer takes after purchase to another place and does not consume on the premises of the supplier. The following in particular characterise takeaway food:

- a. the will expressed by the customer to take the food away;
- b. the handing over of the food in a special package suitable for transport;
- c. the handing over of food that is not suitable for immediate consumption.

³ The FTA shall provide for simplifications within the meaning of Article 80 VAT Act for certain businesses and events.

Art. 56 Suitable organisational measure

(Art. 25 para. 3 VAT Act)

A suitable organisational measure is in particular the issue of receipts that indicate whether a restaurant supply, a delivery of food or a supply of goods for takeaway was provided.

Chapter 4 Invoicing and VAT Details

(Art. 26 para. 3 VAT Act)

Art. 57

Till receipts for amounts up to 400 francs need not contain details about the recipient of the supply. Such receipts do not entitle the recipient to a tax refund in the refund procedure.

Chapter 5 Input Tax Deduction

Section 1 General

Art. 58 Input tax deduction for foreign currency

(Art. 28 VAT Act)

Article 45 applies by analogy to the calculation of the deductible input taxes.

Art. 59 Proof

(Art. 28 para. 1 lit. a VAT Act)

¹ The Swiss tax is deemed to be invoiced if it is recognisable to the recipient of the supply that the supplier has demanded payment of the VAT from it.

² The recipient of the supply does not have to verify whether the VAT was rightly demanded. If, however, it knows that the person that has transferred the tax is not registered as a taxable person, an input tax deduction is not permitted.

Art. 60⁶³**Art. 61**⁶⁴**Section 2**⁶⁵ **Deduction of Notional Input Tax****Art. 62** Precious metals and gemstones

(Art. 28a para. 1 let. a VAT Act)

Precious metals with tariff numbers 7106–7112⁶⁶ and gemstones with tariff numbers 7102–7105 are not individualisable moveable goods.

Art. 63 Right to deduct notional input tax

(Art. 28a para. 1 and 2 VAT Act)

¹ Where exclusively individualisable moveable goods are purchased for a total price, notional input tax may be deducted.⁶⁷

² The deduction of notional input tax is not permitted if the total price covers any collectors' items (Art. 48a) or non-individualisable moveable goods and the share of the purchase price attributable to goods referred to in Article 28a VAT Act cannot be estimated.

³ The deduction of notional input tax is not permitted where:

- a. the notification procedure under Article 38 VAT Act was applied on the purchase of the good;
- b. the taxable person imported the good;
- c.⁶⁸ goods have been purchased in accordance with Article 23 paragraph 2 number 12 VAT Act;
- d. the taxable person knows or should have known that the good was imported exempt from the tax.

⁶³ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

⁶⁴ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024** 485).

⁶⁵ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁶⁶ SR **632.10** Annex

⁶⁷ The correction of 30 Jan. 2018 only concerns the Italian text (AS **2018** 521).

⁶⁸ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

e.⁶⁹ the taxable person obtained the goods from a beneficiary in accordance with Article 2 of the Host State Act of 22 June 2007⁷⁰ (HSA).

⁴ In the case of payments made under the claim settlement, notional input tax may only be deducted based on the actual value of the good at the time that it is taken over.

⁵ Any person who is deemed to be a supplier under Article 20a of the VAT Act may only deduct notional input tax if the seller of the goods is domiciled on Swiss territory and is not entered in the VAT register.⁷¹

Art. 64

Repealed

Section 3 Correction of the Input Tax Deduction

Art. 65 Methods of calculating the correction (Art. 30 VAT Act)

The correction of the input tax deduction may be calculated:

- a. according to effective usage;
- b. using flat rate methods with flat rates laid down by the FTA;
- c. based on own calculations.

Art. 66 Flat rate methods (Art. 30 VAT Act)

The FTA lays down flat rates in particular for:

- a. businesses of banks;
- b. the business of insurance companies;
- c. businesses of specially financed agencies of public authorities;
- d. the granting of loans and for interest income and income from trading in securities;
- e. the management of owned immovable property where taxation is not opted for under Article 22 VAT Act;
- f. public transport businesses.

⁶⁹ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁷⁰ SR **192.12**

⁷¹ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

Art. 67 Own calculations
(Art. 30 VAT Act)

If the taxable person bases the correction of the input tax deduction on its own calculations, it must give evidence in detail concerning the facts underlying the calculations and carry out a plausibility test.

Art. 68 Choice of method
(Art. 30 VAT Act)

¹ The taxable person may use one or more methods to calculate the correction of the input tax deduction, provided the method(s) lead to an adequate result.

² Adequate is any use of one or more methods that takes account of the principle of efficiency of imposition, is auditable economically and allocates the input taxes according to their use for a particular activity.

Section 4 Own Use

Art. 69 Principles
(Art. 31 VAT Act)

¹ The input tax deduction must be corrected in full on goods and services not put to use.

² The input tax deduction must be corrected on goods and services put to use that are still available at the time the requirements are no longer fulfilled and have a fair value. In the case of supply of services in the fields of consulting, accounting, staff recruitment, management and advertising, it is assumed they are exhausted at the time of their acquisition and are no longer available.

³ In the case of self-manufactured goods, for putting the infrastructure to use, a flat rate surcharge of 33 per cent must be made on the input taxes on materials and on any third-party work on semi-finished goods. Alternatively, effective proof of the input taxes applicable to the use of the infrastructure may be provided.

⁴ If subsequently the requirements for the input tax deduction are only partially fulfilled, the correction must be made to the extent that the use no longer entitles the input tax deduction to be made.

Art. 70 Determination of the fair value
(Art. 31 para. 3 VAT Act)

¹ The fair value must be calculated on the basis of the acquisition cost, for real estate excluding the value of the land and of value enhancing expenditures. Not to be considered are, however, the value maintenance expenditures. Value maintenance expenditures are those that serve only to maintain the value of the good and its ability to function, in particular service, maintenance, operating and repair costs.

² In determining the fair value of goods and services put to use, in the first tax period of use the loss in value must be considered for the entire tax period. In the last

uncompleted tax period, on the other hand, no depreciation may be made unless the change in use occurs on the last day of the tax period.

Art. 71 Major immovable property renovations
(Art. 31 VAT Act)

If the renovation costs in a construction phase exceed in total 5 per cent of the insurance value of the building prior to renovation, the input tax deduction must be corrected on the basis of the total costs, regardless of whether the costs are for value enhancing or maintenance expenditures.

Section 5 Subsequent Input Tax Deduction

Art. 72 Principles
(Art. 32 VAT Act)

¹ The input tax deduction may be corrected in full on goods and services not put to use.

² The input tax deduction may be corrected on goods and services put to use which still exist and have a fair value at the time the requirements for the input tax deduction are fulfilled. For services in the fields of consulting, accounting, staff recruitment, management and advertising, it is assumed that they are used on acquisition and thereafter cease to exist.

³ In the case of self-manufactured goods, for putting the infrastructure to use, a flat rate surcharge of 33 per cent may be made on the input taxes on materials and on any third-party work on semi-finished goods. Alternatively, effective proof of input taxes applicable to the use of the infrastructure may be provided.

⁴ If subsequently the requirements for the input tax deduction are only partially fulfilled, the correction may be made only to the extent of the use entitling the input tax deduction to be made.

Art. 73 Determination of the fair value
(Art. 32 para. 2 VAT Act)

¹ The fair value must be calculated on the basis of the acquisition cost, for real estate excluding the value of the land and of value enhancing expenditures. Not to be considered are, however, the value maintenance expenditures. Value maintenance expenditures are those that serve only to maintain the value of the good and its ability to function, in particular service, maintenance, operating and repair costs.

² In determining the fair value of goods and services put to use, in the first tax period of use the loss in value must be considered for the entire tax period. In the last uncompleted tax period, on the other hand, no depreciation must be made unless the change in use occurs on the last day of the tax period.

Art. 74 Major renovations of immovable property
(Art. 32 VAT Act)

If the renovation costs in a construction phase exceed in total 5 per cent of the insurance value of the building prior to renovation, the entire input tax deduction may be corrected on the basis of the total costs, regardless of whether the costs are for value enhancing or maintenance expenditures.

Section 6 Reduction of the Input Tax Deduction
(Art. 33 para. 2 VAT Act)

Art. 75

¹ The input tax need not be reduced if the funds under Article 18 paragraph 2 letters a–c VAT Act are attributable to a business activity for which no input tax is incurred or for which no claim to input tax deduction exists.

² To the extent the funds under Article 18 paragraph 2 letters a–c VAT Act can be attributed to a specific business activity, only the input tax on the expenditures for this business activity must be reduced.

³ If the funds under Article 18 paragraph 2 letters a–c VAT Act are paid to cover an operating deficit, the input tax must be reduced in the proportion of these funds to the total income. The total income is made up of the total turnovers excluding VAT and the income that does not count as considerations.⁷²

Chapter 6 Calculation and Constitution of the Tax Claim

Section 1 Annual Accounts
(Art. 34 para. 3 VAT Act)

Art. 76⁷³

Section 1a⁷⁴ Annual Reporting

Art. 76a Annual reporting on commencement of tax liability
(Art. 35 para. 1^{bis} let. b, 35a and 86a VAT Act)

¹ Persons newly entered in the VAT register who wish to use annual reporting must apply to the FTA no later than 60 days after receiving their VAT number.

² The FTA shall authorise the application of annual reporting if the expected turnover with VAT in the first twelve months does not exceed the threshold set out in Article 35 paragraph 1^{bis} letter b of the VAT Act.

⁷² Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁷³ Comes into force at a later date.

⁷⁴ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

³ After the deadline in paragraph 1 has expired, the taxable person may apply for annual reporting after one tax period at the earliest.

Art. 76b Change to annual reporting

(Art. 35 para. 1^{bis} let. b, 35a and 86a VAT Act)

¹ Taxable persons who wish to change to annual reporting must apply to the FTA no later than 60 days after the start of the tax period from which the change is to take place.

² The FTA shall authorise annual reporting if the taxable person:

- a. did not exceed the turnover threshold of Article 35 paragraph 1^{bis} letter b of the VAT Act in the previous tax period; and
- b. has submitted all tax returns on time and has paid all tax claims in full and on time in the previous three tax periods or, if the liability has existed for a shorter period, since commencement of tax liability.

Art. 76c End of annual reporting

(Art. 35 para. 1^{bis} let. b, 35a, 86 para. 2 and 86a VAT Act)

¹ Taxable persons who no longer wish to use annual reporting must notify the FTA no later than 60 days after the start of the tax period from which the change is to take place.

² The FTA shall revoke authorisation for the annual reporting:

- a. at the beginning of the next tax period if the taxable person has exceeded the turnover threshold specified in Article 35 paragraph 1^{bis} letter b of the VAT Act for three consecutive tax periods;
- b. at the beginning of the tax period after the next tax period if:
 1. the taxable person has applied for a reduction in the instalments as a result of which the total of the instalments in the current tax period falls below the following value in relation to the amount of tax due according to the tax return:
 - in the case of the effective reporting method and reporting with flat tax rates: 50 per cent
 - in the case of reporting with net tax rates: 35 per cent,
 2. the FTA has determined the amount of tax due at its own discretion on the basis of the second sentence of Article 86 paragraph 2 VAT Act due to failure to submit the tax return, or
 3. the FTA has initiated debt enforcement proceedings on the basis of the first sentence of Article 86 paragraph 2.

Art. 76d Adjustment of instalments

(Art. 35 para. 1^{bis} let. b, 35a and 86a VAT Act)

The instalments may only be adjusted before they become due.

Section 2 Net Tax Rate Method

Art. 77 Principles

(Art. 37 para. 1–4 VAT Act)

¹ The taxable supplies made for consideration on Swiss territory must be considered in assessing whether the conditions under Article 37 VAT Act are fulfilled.

² The net tax rate method may not be chosen by taxable persons who:

- a. may report using the flat tax rate method under Article 37 paragraph 5 VAT Act;
- b. use the transfer procedure under Article 63 VAT Act;
- c. use group taxation under Article 13 VAT Act;
- d. have their place of business or a permanent establishment in the valley areas of Samnaun or Sempuoir;
- e.⁷⁵ generate more than 50 per cent of their turnovers from taxable supplies to another taxable person who reports using the effective method where the persons involved are under the same management;
- f.⁷⁶ make supplies on Swiss territory based on Article 7 paragraph 3 VAT Act.
- g.⁷⁷ are deemed to be suppliers in accordance with Article 20a of the VAT Act;
- h.⁷⁸ have their place of business abroad.

³ Taxable persons who report using the net tax rate method may not opt for the taxation of supplies under Article 21 paragraph 2 numbers 1–24 and 27–31 VAT Act. If the tax is nevertheless invoiced, the tax charged must be paid to the FTA with reservation of Article 27 paragraph 2 VAT Act.⁷⁹

Art. 78⁸⁰ Net tax rate method on commencement of tax liability

(Art. 37 para. 1–4 VAT Act)

¹ Persons newly entered in the VAT Register who wish use the net tax rate method must notify the FTA within 60 days of notification of their VAT number.

² The FTA shall approve the use of the net tax rate method if in the first 12 months both the expected turnover and the expected taxes do not exceed the thresholds in Article 37 paragraph 1 VAT Act.

³ If no request is made within the period in paragraph 1, the taxable person must report for at least three full tax periods using the effective reporting method before they may change to the net tax rate method. An earlier change of the reporting method is

⁷⁵ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁷⁶ Inserted by No I of the O of 15 Aug. 2018, in force since 1 Jan. 2019 (AS **2018** 3143).

⁷⁷ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁷⁸ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁷⁹ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

⁸⁰ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

possible at the time of any adjustment to the net tax rate that is not due to a change in the rates of taxation under Articles 25 and 55 VAT Act.

⁴ Paragraphs 1–3 apply to retroactive entries analogously.

⁵ The tax charged on goods and services on commencement of tax liability is taken into account in applying the net tax rate method. No subsequent input tax deduction may be made.

Art. 79⁸¹ Change from the effective reporting method to the net
tax rate method
(Art. 37 para. 1–4 VAT Act)

¹ Taxable persons who wish to change from the effective reporting method to the net tax rate method must notify the FTA at the latest 60 days after the beginning of the tax period from which the change is to be made.

² The FTA shall approve the use of the net tax rate method if in the prior tax period neither of the thresholds in Article 37 paragraph 1 VAT Act was exceeded.

³ The input tax previously deducted on the fair value of the goods and services at the time of the change, including the portion corrected as a subsequent input tax deduction, must be refunded to the FTA. The declaration must be made in the last reporting period before the change. Article 31 paragraph 3 VAT Act and Article 69 paragraphs 1–3, 70 and 71 apply by analogy.

⁴ If simultaneously with the change to the net tax rate method the manner of reporting under Article 39 VAT Act is changed, the following corrections must also be made as per the date of the change:

- a. if a change is made from agreed to collected considerations, the taxable person must reverse the following in the last reporting period before the change:
 1. the declared tax on the taxable supplies invoiced but not yet paid on the date of change (debtor items); and
 2. the input tax deduction on the taxable supplies invoiced to it but not yet paid (creditor items), insofar as these are input taxes that do not already have to be corrected on the basis of paragraph 3.
- b. if a change is made from collected to agreed considerations, the taxable person must in the last reporting period before the change:
 1. declare the tax on the existing debtor items at the appropriate statutory tax rate; and
 2. deduct the tax charged on the creditor items as input tax.

⁸¹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

Art. 80 Withdrawal of approval

(Art. 37 para. 1–4 VAT Act)

The FTA may retroactively withdraw approval to use this reporting method from taxable persons who have been permitted to use the net tax rate method on the basis of false information.

Art. 81⁸² Change from the net tax rate method to the effective reporting method

(Art. 37 para. 1–4 VAT Act)

¹ Taxable persons who wish to change from the net tax rate method to the effective reporting method must notify the FTA at the latest 60 days before the beginning of the tax period from which the change is to be made.

² A change is permitted before the end of the entire tax period if reporting is carried out with at least one authorised net tax rate that the FTA has adjusted, unless this is due to a change in the tax rates in accordance with Articles 25 and 55 VAT Act. The change takes place at the time of the change in the net tax rate.

³ Persons who exceed one or both thresholds laid down in Article 37 paragraph 1 VAT Act in three consecutive tax periods must change to the effective reporting method at the beginning of the following tax period.

⁴ The tax charged on the fair value of the goods and services at the time of the change may be deducted as input tax in the first reporting period after the change. Article 32 paragraph 2 VAT Act and Articles 72 paragraphs 1–3, 73 and 74 apply by analogy.

⁶ If at the same time as the change to the effective reporting method the manner of reporting under Article 39 VAT Act is also changed, the following corrections must be made as of the date of change:

- a. If a change is made from agreed to collected considerations, the taxable person must deduct the tax declared on the debtor items in the last reporting period before the change; in addition, the tax must be charged on the creditor items for which a subsequent input tax deduction is permitted on the basis of paragraph 4.
- b. If a change is made from collected to agreed considerations, the taxable person must declare the tax on the debtor items at the authorised net tax rates in the last reporting period before the change; no corrections shall be made to the creditor items.

Art. 82 End of tax liability

(Art. 37 para. 1–4 VAT Act)

¹ If a taxable person reporting under the net tax rate method ceases its business activities or if, due to failing to reach the turnover threshold in Article 10 paragraph 2 letter a VAT Act, it is exempt from tax liability, the turnovers generated prior to being removed from the VAT Register, the work in progress and, if reporting according to

⁸² Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

collected considerations, the debtor items are also to be reported at the approved net tax rates.

² and ³ ...⁸³

Art. 83⁸⁴ Takeover of assets under the notification procedure

(Art. 37 para. 1–4 VAT Act)

¹ If a taxable person reporting under the net tax rate method using the notification procedure under Article 38 VAT Act takes over all of the assets, part of the assets or individual assets from a person using the effective reporting method, a correction must be made in accordance with Article 79 paragraph 3; paragraph 2 remains reserved.

² No correction shall be made if all of the assets, part of the assets or individual assets have been used by the seller for an activity not entitling a deduction of the input tax.

Art. 84 Reporting using net tax rates

(Art. 37 para. 1–4 VAT Act)

¹ Taxable persons must report their business activities at the net tax rates approved by the FTA.

² If a business activity ceases or a new business activity is begun or if the turnover shares of the business activities change in such a way that a new allocation of the net tax rates becomes necessary, the taxable person must contact the FTA.

³ Taxable persons for whom two or more different net tax rates have been approved must record the revenues for each of the net tax rates separately.⁸⁵

Art. 85⁸⁶

Art. 86⁸⁷ Authorisation of net tax rates

(Art. 37 para. 1–4 VAT Act)

¹ For each activity that accounts for more than 10 per cent of total turnover from taxable supplies, the net tax rate for this activity shall be authorised.

² The following are decisive for determining whether the 10 per cent threshold has been exceeded:

- a. for persons who become newly taxable and for taxable persons who take up a new business activity: the expected turnovers in the first 12 months;
- b. in the case of other taxable persons, the turnover achieved in the three previous tax periods, whereby the share of the relevant activity in the total turnover from taxable supplies must have been more than 10 per cent in each of these tax periods.

⁸³ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024** 485).

⁸⁴ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁸⁵ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁸⁶ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024** 485).

⁸⁷ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

³ The turnovers from business activities with the same net tax rate must be accumulated when determining whether the 10 per cent threshold has been exceeded.

⁴ If the turnover for an activity or the turnover for several activities for which the same net tax rate applies no longer exceeds the 10 per cent threshold for three consecutive tax periods, authorisation to apply the relevant net tax rate lapses at the beginning of the fourth tax period

Art. 87⁸⁸

Art. 88⁸⁹ Taxation of individual business activities

(Art. 37 para. 1–4 VAT Act)

¹ Turnovers from the business activities of a taxable person who has been authorised to apply more than one net tax rate must be taxed at the authorised net tax rate specified for the activity in question.

² If the net tax rate stipulated for an activity has not been authorised, the turnover generated is taxable as follows:

- a. at the next lower authorised net tax rate if no higher rate is authorised;
- b. at the next higher authorised net tax rate in other cases.

³ In cases under Article 19 paragraph 2 VAT Act, the entire consideration may be reported at the approved net tax rate applicable to the predominant supply in accordance with Articles 84 and 86 and paragraphs 1 and 2.

⁴ If the services are all subject to the same tax rate in accordance with Article 25 VAT Act, the individual supplies must be reported at the net tax rates authorised for this purpose.

⁵ If the taxable person is unable to prove what proportion is attributable to the individual supplies, the total consideration must be reported at the highest net tax rate that has been authorised for these supplies.

⁶ The taxable person may voluntarily report the entire turnover from taxable supplies at the highest authorised net tax rate.

Art. 89⁹⁰

Art. 90⁹¹ Special procedures

(Art. 37 para. 1–4 VAT Act)

The FTA provides businesses and events in accordance with Article 55 paragraph 3 with a flat-rate arrangement for the allocation of turnover to catering services and sales of take-away food in accordance with Article 55 paragraph 2.

⁸⁸ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS 2024 485).

⁸⁹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

⁹⁰ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS 2024 485).

⁹¹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

Art. 91⁹² Reporting of the acquisition tax

(Art. 37 para. 1–4 VAT Act)

Taxable persons using the net tax rate method who acquire supplies under Article 45 paragraph 1 VAT Act, must pay the acquisition tax in the relevant reporting period at the appropriate statutory tax rate.

Art. 92⁹³ Own use

(Art. 37 para. 1–4 VAT Act)

Own use is taken into account in applying the net tax rate method.

Art. 93⁹⁴**Art. 94⁹⁵** Supplies to closely related persons and employees

(Art. 37 para. 1–4 VAT Act)

¹ Supplies to closely related persons and employees must be reported at the authorised net tax rate applicable to the supply in question in accordance with Article 84, 86 and 88.

² Supplies that must be included in the salary certificate for direct tax purposes always constitute supplies for consideration. The tax must be calculated on the basis of the amount that is also applicable for direct tax purposes.

Art. 95⁹⁶ Sales of equipment, fixed assets and capitalisable services

(Art. 37 para. 1–4 VAT Act)

Sales of equipment and fixed assets and capitalisable services that are not used exclusively to provide supplies that are exempt from the tax without credit must be reported at the approved net tax rate for the supply concerned in accordance with Articles 84, 86 and 88.

Art. 96 Invoicing at an excessive tax rate

(Art. 37 para. 1–4 VAT Act)

If a taxable person reporting using net tax rates invoices a supply at an excessive tax rate, the person must, in addition to the VAT calculated at the net tax rate, also pay the difference between the tax calculated using the tax rate disclosed and the tax calculated using the tax rate under Article 25 VAT Act. The consideration is regarded as including VAT.

⁹² Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁹³ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁹⁴ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024** 485).

⁹⁵ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

⁹⁶ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

Section 3 Flat Tax Rate Method

Art. 97 Principles

(Art. 37 para. 5 VAT Act)

¹ Related institutions under Article 37 paragraph 5 VAT Act are in particular:

- a. communal associations and other combinations of public authorities;
- b. parishes;
- c. private schools and boarding schools;
- d. private hospitals and medical treatment centres;
- e. rehabilitation centres and sanatoria;
- f. private home care organisations;
- g. old people's homes, nursing homes and seniors' residences;
- h. charitable businesses, such as disabled workshops, hostels and special schools;
- i. operators of sports facilities and cultural centres subsidised by public authorities;
- j. cantonal buildings insurers;
- k. water cooperatives;
- l. public transport businesses;
- m. corporations subsidised by public authorities;
- n. organisers of non-recurring cultural and sports events;
- o. associations under Articles 60–79 of the Civil Code(CC)⁹⁷; and
- p. foundations under Articles 80–89^{bis} CC.⁹⁸

² There are no monetary thresholds for the use of the flat tax rate method.

³ Taxable persons who report using the flat tax rate method may not opt for the taxation of supplies under Article 21 paragraph 2 numbers 1–24, 27 and 29–31 VAT Act. If the tax is nevertheless invoiced, the tax charge must be paid to the FTA with reservation of Article 27 paragraph 2 VAT Act.⁹⁹

⁴ Autonomous agencies under Article 12 paragraph 1 VAT Act that merge to form a single taxable entity (Art. 12 para. 2 VAT Act) may apply the flat rate tax method.¹⁰⁰

⁹⁷ SR 210

Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

⁹⁹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

¹⁰⁰ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

Art. 98¹⁰¹ Submission to the flat tax rate method and change of the reporting method

(Art. 37 para. 5 VAT Act)

¹ Public authorities and related institutions under Article 97 paragraph 1 which wish to report using the flat tax rate method must notify the FTA.

² The flat tax rate method must be retained for at least an entire tax period. If the taxable person elects for the effective reporting method, the person may change to the flat tax rate method at the earliest after an entire tax period.

³ An earlier change to the effective method or the flat-rate method is permitted whenever the flat-rate tax rate concerned is adjusted, unless this is due to a change in the rates of taxation under Articles 25 and 55 VAT Act.

⁴ Changes to the reporting method are possible at the beginning of a tax period. They must be notified to the FTA at the latest 60 days after the beginning of the tax period from which the change is to be made.

Art. 99 Flat tax rate

(Art. 37 para. 5 VAT Act)

¹ When using the flat tax rate method, the tax claim is determined by multiplying the total of the considerations generated in a reporting period, including tax, by the flat tax rate approved by the FTA.

² The FTA establishes the flat tax rates taking account of the input tax amounts usual in the relevant branch of the industry. A business activity for which no flat tax rate has been established must be reported at the rate applicable for the net tax rate method.

³ The taxable person must report each of its business activities with the appropriate flat tax rate irrespective of the amount of turnover generated. The taxable person may voluntarily report the entire turnover from taxable supplies at the highest authorised flat tax rate.¹⁰²

Art. 99a¹⁰³

Art. 100 Applicability of the rules of the net tax rate method

(Art. 37 para. 5 VAT Act)

Unless this Section provides otherwise, Articles 77–96 also apply.

¹⁰¹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁰² Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁰³ Inserted by No I of the O of 18 Oct. 2017 (AS **2017** 6307). Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024** 485).

Section 4 Notification Procedure

Art. 101 Part of the assets (Art. 38 para. 1 VAT Act)

Every smallest unit in a business that is viable by itself constitutes a part of the assets.

Art. 102 Tax liability of the purchaser (Art. 38 para. 1 VAT Act)

The notification procedure must also be used if the purchaser only becomes liable for the tax in connection with the transfer of all or part of the assets.

Art. 103 Invoice (Art. 38 para. 1 VAT Act)

If the notification procedure is used, this must be stated on the invoice.

Art. 104 Voluntary use of the notification procedure (Art. 38 para. 2 VAT Act)

Provided both parties are liable for the tax, the notification procedure may be used:

- a. on the transfer of immovable property or parts of immovable property;
- b. on application of the transferring person, if there are material interests.

Art. 105 Degree of use (Art. 38 para. 4 VAT Act)

It is assumed that the seller has used the assets transferred entirely for the business activities entitling the input tax deduction. A different degree of use must be proved by the purchaser.

Section 5 Form of Reporting and Assignment of the Tax Claim

Art. 106 Change in the form of reporting under the effective method (Art. 39 VAT Act)

¹ On changing from reporting under the collected considerations to reporting under the agreed considerations method, the taxable person must in the reporting period following the change:

- a. report the tax on the debtor items existing at the time of change; and
- b. deduct the input taxes on the creditor items existing at the time of change in connection with the business activities entitling the input tax deduction.

² On changing from reporting under the agreed considerations to the collected considerations method, the taxable person must in the reporting period following the change:

- a. deduct the debtor items existing at the time of change from the considerations collected in this reporting period; and
- b. deduct the input taxes on the creditor items existing at the time of the change from the input taxes paid in this reporting period.

³ If simultaneously with the change in the form of reporting the reporting method under Articles 36 and 37 VAT Act is also changed, Article 79 paragraph 4 or Article 81 paragraph 6 applies.

Art. 107 Change in the form of reporting when reporting under the net tax rate method or the flat rate tax method

(Art. 39 VAT Act)¹⁰⁴

¹ If the taxable person changes from reporting on the basis of the collected considerations to reporting on the basis of the agreed considerations, they must, in the reporting period following the change, account for the debtor items existing at the time of the change at the authorised net tax rates or flat tax rates that apply in accordance with Articles 84, 86 and 88 for the activities from which these debtor items arise.¹⁰⁵

² If the taxable person changes from reporting on the basis of the agreed considerations to reporting on the basis of the collected considerations, they must, in the reporting period following the change, deduct the debtor items existing at the time of the change from the considerations collected in this reporting period in respect of the relevant activities.¹⁰⁶

³ If at the same time as changing of the form of reporting the reporting method is also changed, Article 79 paragraph 4 or Article 81 paragraph 6 applies.

Art. 108 Assignment and pledge of the tax claim

(Art. 44 para. 2 VAT Act)

On assignment and pledge of the tax claim, the confidentiality provisions under Article 74 VAT Act do not apply.

Title 3 Acquisition Tax

Art. 109 and 110¹⁰⁷

Art. 111 Data storage media without market value

(Art. 45 para. 1 let. b and 52 let. 2 VAT Act)

¹ Regardless of the storage device or the method of data storage, a data storage medium without market value is considered to be any device for storing data, which in the manner and nature and condition in which it is imported:

¹⁰⁴ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁰⁵ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁰⁶ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁰⁷ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

- a. cannot be purchased against payment of a consideration known at the time of import; and
- b. cannot be used contractually against payment of a non-recurring licence fee known at the time of import.

² The data storage medium may in particular carry computer programmes and files, their updates and upgrades and sound and image data.

³ Crucial for the assessment of whether a data storage medium is a data storage medium without market value is the medium itself with the services included therein and the related rights not considering the legal transaction leading to the import.

⁴ The following goods are in particular deemed equivalent to data storage media without market value, provided the goods are acquired by the customer as a result of an independent legal transaction:

- a. plans, drawings and illustrations, in particular by architects, engineers, graphic artists and designers;
- b. legal opinions from lawyers, reports from experts, translations, research and test results and results of analyses, valuations and similar;
- c. certificated rights and intellectual property.

Art. 111a¹⁰⁸ Transfer of emission allowances and similar rights
(45 para. 1 let. e VAT Act)

¹ The transfer of emission allowances and other rights in accordance with Article 45 paragraph 1 letter e of the VAT Act is not subject to domestic tax.

² If domestic tax is invoiced on the transfer, it cannot be deducted as input tax unless the tax has been reported and paid.

Title 4 Import Tax

Chapter 1¹⁰⁹

Mail-Order Company instead of the Platform as a Person liable for Import Tax

(Art. 51 VAT Act)

Art. 111b

When importing goods, a mail-order company may agree with the supplier in accordance with Article 20a of the VAT Act that it will import the goods in its own name, provided it fulfils at least one of the two conditions in Article 7 paragraph 3 of the VAT Act.

¹⁰⁸ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁰⁹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

Chapter 1a

Plurality of Supplies and Exemption from the Import Tax¹¹⁰

Art. 112 Aggregations and combinations of supplies

(Art. 52 para. 3 and 19 para. 2 VAT Act)

¹ If an import assessment under Article 19 paragraph 2 VAT Act is requested, a cost calculation must be submitted at the time of customs clearance.

² The cost calculation must show:

- a. the direct costs of the individual supplies;
- b. the total consideration.

³ Cost elements that cannot be fully allocated to the individual supplies, such as overheads, profit or transport costs, must be allocated to the individual supplies by value.

⁴ The Federal Office for Customs and Border Security (FOCBS)¹¹¹ may from case to case demand further documentation in order to review the calculation.

Art. 113 Exemption from value added tax

(Art. 53 para. 2 VAT Act)¹¹²

Exempt from the import tax are:

- a. goods for heads of state and for diplomatic, consular and international organisations and their members which are duty free under Article 6 of the Customs Ordinance dated 1 November 2006¹¹³ (CustO);
- b. coffins, urns and related decoration that are duty free under Article 7 CustO;
- c. prizes, mementos and gifts that are duty free under Article 8 CustO;
- d. restaurant car inventories that are tax free under Article 10 CustO;
- e. inventories, spare parts and equipment on ships that are duty free under Article 11 CustO;
- f. inventories, spare parts and equipment on aircraft that are duty free under Article 12 CustO;
- g.¹¹⁴ ...

¹¹⁰ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹¹¹ The name of this administrative unit was changed on 1 January 2022 in application of Art. 20 para. 2 of the Publications Ordinance of 7 Oct. 2015 (AS **2015** 3989). This change has been made throughout the text.

¹¹² Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹¹³ SR **631.01**

¹¹⁴ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024** 485).

Chapter 2 Establishment of and Security for the Import Tax Debt

Art. 114 Security for payment of the tax over the FOCBS' centralised settlement procedure

(Art. 56 para. 3 VAT Act)

If the tax is paid via the centralised settlement procedure (CSP), the FOCBS may require a lump-sum security based on its risk assessment. It is calculated as follows:

- a. at least 20 per cent of the tax accrued within a period of 60 days, provided the importer is registered with the FTA as a taxable person and the conditions of the CSP are observed;
- b. 100 per cent of the tax accrued within a period of 60 days if the importer is not registered with the FTA as a taxable person or the conditions of the CSP are not observed.

Art. 115 Amount of the security for a conditional tax claim and for payment reliefs

(Art. 56 para. 3 VAT Act)

¹ The amount of the security for conditional tax claims or in cases, in which payment reliefs under Article 76 paragraph 1 CustA¹¹⁵ are granted:

- a. 100 per cent on storage of bulk goods;
a^{bis},¹¹⁶ a maximum of 10 per cent for the authorised economic operator (AEO) under Article 42a CustA;
- b. at least 25 per cent in other cases.

² For international transits, the amount of the security is governed by international treaties.

Art. 116 Subsequent adjustment of the considerations

(Art. 56 para. 5 VAT Act)

¹ The notification of a subsequent adjustment of the considerations must contain the following information:

- a. beginning and end date of the period for which the considerations are subsequently adjusted;
- b. the considerations calculated in this period;
- c. the total of the adjustments of the considerations;
- d. the allocation of the adjustment of the considerations to the various tax rates.

¹¹⁵ SR **631.0**

¹¹⁶ Inserted by Annex No 2 of the O of 18 Nov. 2015, in force since 1 Jan. 2016 (AS **2015** 4917)

² Price and value details in foreign currency adduced for the determination of the adjustment of the considerations must be converted into Swiss francs at the average exchange rate (selling) for the period.

³ The FOCBS may from case to case demand further documentation in order to determine the import tax liability.

Chapter 3 Transfer of the Tax Payment

Art. 117 Transfer of the import tax payment

(Art. 63 VAT Act)

¹ Persons who wish to pay taxes under the transfer procedure require authorisation from the FTA.

² If doubt exists as to whether the requirements for the transfer of the import tax are fulfilled, the FOCBS shall levy the tax.

³ The prescription of import tax liability that has been transferred is governed by Article 42 VAT Act.

⁴ The FTA shall regulate execution in consultation with the FOCBS.

Art. 118 Conditions for authorisation

(Art. 63 VAT Act)

¹ Authorisation is granted if the taxable person:

- a. reports the VAT under the effective method;
- b. regularly imports and exports goods as part of its business activities;
- c. keeps a detailed import, inventory and export control for these goods;
- d.¹¹⁷ in its periodic tax returns with the FTA regularly reports input tax surpluses on imports and exports of goods under letter b of more than 10,000 francs per year that arise from the payment of import tax to the FOCBS; and
- e. guarantees the correct functioning of the procedure.

^{1bis} Suppliers under Article 20a VAT Act who have been subject to an administrative measure under Article 79a VAT Act may be granted authorisation to use the transfer procedure on request from the day after the ruling is lifted.¹¹⁸

² The grant or extension of the authorisation may be made conditional on the provision of security in the amount of the anticipated claims.

¹¹⁷ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

¹¹⁸ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS 2024 485).

Art. 119 Lapse of the conditions for authorisation

(Art. 63 VAT Act)

If any of the conditions for authorisation under Article 118 paragraph 1 letters a–d are no longer fulfilled, the taxable person must inform the FTA in writing without delay.

Art. 120¹¹⁹ Withdrawal of the authorisation

(Art. 63 VAT Act)

¹ Authorisation is withdrawn if the taxable person no longer guarantees the correct functioning of the procedure.

² Suppliers under Article 20a of the VAT Act who are subject to an administrative measure under Article 79a of the VAT Act shall have their authorisation withdrawn with effect from the day after the ruling is issued.

Art. 121 Non-levying of the Swiss tax

(Art. 63 para. 2 VAT Act)

Articles 118–120 apply by analogy for authorisation under Article 63 paragraph 2 VAT Act.

Title 5 Procedural Law for Domestic and Acquisition Tax**Chapter 1** Rights and Obligations of the Taxable Person**Section 1** ...**Art. 121a¹²⁰****Section 1a** Paperless Receipts, Electronic Procedures¹²¹**Art. 122¹²²** Paperless receipts(Art. 70 para. 4 VAT Act)¹²³

Articles 957–958f of the Code of Obligations¹²⁴ and the Accounts Ordinance of 24 April 2002¹²⁵ apply to the transmission and retention of paperless receipts.

¹¹⁹ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹²⁰ Inserted by No I of the O of 18 Oct. 2017 (AS **2017** 6307). Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024** 485).

¹²¹ Inserted by No I of the O of 18 Oct. 2017 (AS **2017** 6307). Amended by No I of the O of 16 June 2023, in force since 1 Jan. 2024 (AS **2023** 312).

¹²² Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹²³ Inserted by No I of the O of 16 June 2023, in force since 1 Jan. 2024 (AS **2023** 312).

¹²⁴ SR **220**

¹²⁵ SR **221.431**

Art. 123¹²⁶ Electronic procedures

(Art. 65a VAT Act)

¹ If the electronic procedure is mandatory, all submissions to the FTA must be made electronically via the portal provided for this purpose.

² The electronic procedure is mandatory for:

- a. ...
- b. annual reporting (Art. 35a and 86a VAT Act);
- c. ...
- d. ...
- e. registration as a taxable person (Art. 66 para. 1 VAT Act);
- f. ...
- g. filing returns (Art. 71 VAT Act);
- h. correction of errors in returns (Art. 72 VAT Act).

Art. 124 and 125¹²⁷**Section 2 Reporting****Art. 126** Effective reporting method

(Art. 71 and 72 VAT Act)

¹ When using the effective reporting method, the taxable person must for reporting to the FTA record the following figures in a suitable manner:

- a. the total of all considerations subject to Swiss tax; this includes in particular the considerations for:
 1. taxed supplies, classified by tax rates,
 2. supplies that are taxed voluntarily under Article 22 VAT Act (Option),
 3. supplies that are exempt from the tax under Article 23 VAT Act,
 4. supplies to beneficiaries under Article 2 HSA¹²⁸ that are exempt from the VAT under Article 143 of this Ordinance,
 5. supplies for which the notification procedure under Article 38 VAT Act was used,
 6. supplies that are exempt from tax without credit under Article 21 VAT Act;
- b. abatements of the consideration when reporting under agreed considerations, to the extent they are not taken into consideration in another field;

¹²⁶ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025, para. 2 lets a, c, d and f come into force on 1 Jan. 2027 (AS **2024** 485).

¹²⁷ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

¹²⁸ SR **192.12**

- c. the following, which do not fall within the scope of VAT:
 - 1. considerations from supplies, whose place of supply lies abroad under Articles 7 and 8 VAT Act,
 - 2. flows of funds not qualifying as considerations under Article 18 paragraph 2 let. a–c VAT Act,
 - 3. other flows of funds not qualifying as considerations under Article 18 paragraph 2 let. d–l VAT Act;
- d. the total of the considerations for supplies subject to the acquisition tax, classified by tax rates;
- e. the total of all deductible input taxes before corrections and reductions under letter f, classified into:
 - 1. input tax on cost of materials and services,
 - 2. input tax on investments and other operating costs,
 - 3. de-taxation;
- f. the amounts by which the input tax deduction must be corrected or reduced as a result of:
 - 1. mixed use under Article 30 VAT Act,
 - 2. own use under Article 31 VAT Act,
 - 3. receipt of flows of funds that do not constitute considerations under Article 33 paragraph 2 VAT Act;
- g. the total of the import tax reported under the transfer procedure.

² The FTA may consolidate several figures under paragraph 1 into one field of the reporting form or refrain from requiring them in the periodic reporting.

Art. 127 Reporting under the net tax rate or the flat tax rate method
(Art. 71 and 72 VAT Act)

¹ When using the net tax rate or flat tax rate method, the taxable person must record the following figures in a suitable manner for reporting to the FTA:

- a. the total of all considerations subject to Swiss tax; this includes in particular the considerations for:
 - 1. taxed supplies, classified by net tax rates or flat tax rates,
 - 2. supplies that are exempt from the tax under Article 23 VAT Act,
 - 3. supplies to beneficiaries under Article 2 HSA¹²⁹ that are exempt from VAT under Article 143 of this Ordinance,
 - 4. supplies for which the notification procedure under Article 38 VAT Act was used,
 - 5. supplies that are exempt from the tax without credit under Article 21 VAT Act;

- b. abatements of the consideration when reporting under agreed considerations, to the extent they are not taken into consideration in another field;
- c. the following, which do not fall within the scope of VAT:
 - 1. considerations from supplies, whose place of supply lies abroad under Articles 7 and 8 VAT Act,
 - 2. flows of funds not qualifying as considerations under Article 18 paragraph 2 letters a–c VAT Act,
 - 3. other flows of funds not qualifying as considerations under Article 18 paragraph 2 letters d–l VAT Act;
- d. the total of the considerations for supplies subject to the acquisition tax classified by tax rates;
- e. and f.¹³⁰ ...
- g.¹³¹ corrections in accordance with Articles 79 paragraphs 3 and 4, 81 paragraphs 4 and 5¹³² and 83 paragraph 1.

² The FTA may consolidate several figures under paragraph 1 under one field of the reporting form or refrain from requiring them in the periodic reporting.

Art. 128 Additional documentation

(Art. 71 and 72 VAT Act)

¹ The FTA may require the taxable person to submit, in particular, the following documentation:

- a. a summary of the details mentioned in Article 126 or 127 for the entire tax period (declaration for the tax period);
- b. the duly signed annual accounts or, if the taxable person is not required to keep books of account, a schedule of the receipts and expenditures as well as of the assets of the business at the beginning and end of the tax period;
- c. the audit report, if one must be issued for the taxable person;
- d. a turnover reconciliation under paragraph 2;
- e. for taxable persons who report using the effective reporting method, an input tax reconciliation under paragraph 3;
- f. for taxable persons who report using the effective reporting method, a schedule showing the calculation of the input tax corrections and reductions undertaken, from which the input tax corrections under Article 30 VAT Act, the own use cases under Article 31 VAT Act and the input tax reductions under Article 33 paragraph 2 VAT Act is apparent.

¹³⁰ Repealed by No I of the O of 21 Aug. 2024, with effect from 1 Jan. 2025 (AS **2024 485**).

¹³¹ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024 485**).

¹³² The reference was amended in application of Art. 12 para. 2 of the Publications Act of 18 June 2004 (SR **170.512**).

² From the turnover reconciliation it must be apparent how the declaration for the tax period, taking account of the different tax rates or the net tax rates and flat tax rates can be reconciled with the annual accounts. To be considered in particular are:

- a. the operating turnover reported in the accounts;
- b. the revenues booked on expense accounts (expense reductions);
- c. the charges within a group of companies that are not included in the operating turnover;
- d. the sales of equipment;
- e. the advance payments;
- f. the other receipts that are not included in the operating turnover;
- g. the payments in kind;
- h. the reductions in earnings;
- i. the bad debts; and
- j. the closing entries, such as periodic accruals and deferrals, the provisions and internal re-bookings that are not turnover relevant.

³ From the input tax reconciliation it must be apparent that the input taxes according to the input tax accounts or to other records have been reconciled with the input taxes declared.

⁴ The demand for additional documentation under paragraphs 1–4 does not represent a demand for comprehensive documentation within the meaning of Article 78 paragraph 2 VAT Act.

Art. 129 Correction
(Art. 72 VAT Act)

Errors in past returns must be corrected separately from the ordinary returns.

Chapter 2 Obligation of Third Parties to provide Information
(Art. 73 para. 2 let. c VAT Act)

Art. 130

The obligation of third parties to provide information under Article 73 paragraph 2 letter c VAT Act does not apply to documents which

- a. have been entrusted to the person obliged to provide information in order to make the supply;
- b. the person obliged to provide information has prepared in order to make the supply.

Chapter 3 Rights and Obligations of the Authorities

Section 1 Data Protection¹³³

Art. 131¹³⁴ Data protection advice
(Art. 76 para. 1 VAT Act)

¹ The FTA shall designate a person responsible for data protection and data security advice.

² This person shall monitor compliance with the data protection provisions and in particular ensure that a regular review is made of the accuracy and security of the data.

³ This person shall also ensure that regular checks are carried out relating to the accuracy and complete transfer of the gathered data onto data carriers.

Art. 132 Processing of the data
(Art. 76 para. 2 VAT Act)¹³⁵

¹ Data are processed for purposes of fulfilling the legally prescribed tasks exclusively by employees of the FTA or by qualified staff under the control of the FTA.

² The FTA may compile and store data that it itself collects or consolidates or receives from persons involved in procedures, third parties or authorities electronically or in another form.¹³⁶

³ ...¹³⁷

Art. 133¹³⁸ Responsibility for the information system
(Art. 76a para. 1 and 76d let. a VAT Act)

The FTA is responsible for the secure operation and the maintenance of the information system and for the legality of the data processing.

Art. 134¹³⁹ Data categories
(Art. 76a para. 1 and 3 as well as 76d let. b and c VAT Act)

The data that the FTA may process under Article 76a paragraph 3 VAT Act are as follows:

- a. information about the identity of persons: in particular names, legal form, entry in the commercial registry, date of birth or date of foundation, address, place of residence and of business, telecommunication numbers, email address, place of origin, bank account, legal representative, OASI number¹⁴⁰;

¹³³ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹³⁴ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹³⁵ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹³⁶ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹³⁷ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

¹³⁸ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹³⁹ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁴⁰ Term in accordance with Annex No II 24 of the O of 17 Nov. 2021, in force since 1 Jan. 2022 (AS **2021** 800).

- b. information about economic activities: nature of the business activity, turnovers achieved or anticipated, date of registration or deletion, place of the provision of supplies and information about the dispatch, import and export of goods that is required for the imposition of VAT;
- c. information about income and financial circumstances: in particular information from business records, operational figures, properties, cash, postal and bank accounts, securities and other moveable valuables, and undistributed inherited assets;
- d. information about tax affairs: tax returns;
- e. information about debts and claim assignments: period and amount of claim assignments, amount of taxable assigned claims;
- f. information about debt enforcement, bankruptcy and attachment proceedings: debt enforcement, bankruptcy, composition and attachment proceedings, judicial and non-judicial acts in relation to the exercise of rights;
- g. information about compliance with tax obligations: compliance with obligations to cooperate on tax matters, payment on time of taxes due, accounting obligations, findings made in the course of audits, and information required for ensuring the collection of the taxes due by tax payers and jointly and severally liable persons;
- h. information about any suspicion of violations, about offences, seized goods and evidence and about criminal proceedings: justified suspicion of violations, seized goods and evidence, offences and the resulting sanctions and additional tax claims under Article 12 of the Federal Act of 22 March 1974¹⁴¹ on Administrative Criminal Law;
- i. information about administrative proceedings: data on administrative and tax-related judicial proceedings required for the issue of assessment notices and for the assessment of rights to tax refunds and applications for tax waivers;
- j. information about administrative and mutual assistance proceedings: requesting authority, date and subject matter of the application, persons concerned, outcome of the procedure and the nature of the measures.

Art. 135¹⁴² Statistics

(Art. 76 para. 2 VAT Act)

¹ The FTA shall compile and maintain statistics to the extent necessary for the performance of its statutory tasks.

² It may disclose data to the federal and cantonal authorities and other interested persons for statistical purposes, provided they are anonymised and permit no inferences as to the persons in question. Article 10 paragraphs 4 and 5 of the Federal Statistics

¹⁴¹ SR 313.0

¹⁴² Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

Act of 9 October 1992¹⁴³ and Article 14 paragraph 3 of the National Bank Act of 3 October 2003¹⁴⁴ are reserved.¹⁴⁵

³ Non-anonymised data may be used for internal business audits and for internal business planning.

Art. 135a¹⁴⁶ Disclosure of data to the Federal Statistical Office

(Art. 76b and 76d let. d VAT Act)

The FTA may make the VAT returns available online to the Federal Statistical Office (FSO) in order to carry out statistical surveys provided the taxable person has consented to the FSO obtaining the data from the FTA.

Art. 136¹⁴⁷ Disclosure of data to the FOCBS

(Art. 76b para. 2 VAT Act)

The FTA shall make the data under Article 134 accessible online to the persons in the FOCBS responsible for the imposition and collection of value added tax to the extent that these data are required for the correct and complete assessment of the import tax or for the conduct of criminal or administrative proceedings.

Art. 137¹⁴⁸ Retention period, destruction and archiving of the data

(Art. 76c para. 1 and 76d let. e and f VAT Act)

¹ The FTA shall destroy the data at the latest after expiry of the periods laid down in Article 70 paragraphs 2 and 3 VAT Act and in Article 105 VAT Act. Excepted are data that are repeatedly required for the imposition of the VAT.

² Prior to destroy the data shall be offered to the Federal Archives in accordance with the Archiving Act of 26 June 1998¹⁴⁹ for archiving.

Art. 138¹⁵⁰ Evaluation of the FTA's internet service

(Art. 76d VAT Act)

¹ For the evaluation of its internet service, the FTA may process data from persons who make use of this service (log files).

² The data may be processed only for this analysis and only as long as necessary. After the evaluation they must be destroyed or anonymised.

¹⁴³ SR 431.01

¹⁴⁴ SR 951.11

¹⁴⁵ Amended by Annex 2 No II 73 of the Data Protection Ordinance of 31 Aug. 2022, in force since 1 Sept. 2023 (AS 2022 568).

¹⁴⁶ Inserted by No I of the O of 8 March 2019, in force since 1 April 2019 (AS 2019 911).

¹⁴⁷ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

¹⁴⁸ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

¹⁴⁹ SR 152.1

¹⁵⁰ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS 2017 6307).

Art. 139¹⁵¹

Section 2 Ensuring the Correct Payment of Taxes¹⁵²

Art. 140 Audit
(Art. 78 para. 2 VAT Act)¹⁵³

A demand for comprehensive documentation is deemed to have been made if a demand for the books of account for a financial year is made with or without the related booking receipts.

Art. 140a¹⁵⁴ Destruction costs
(Art. 79a para. 4 VAT Act)

The costs of the destruction of goods ordered by the FTA shall be borne by the FTA.

Chapter 4 Ruling and Appeal Procedures

Art. 141 Appeal procedures
(Art. 81 VAT Act)

The FTA is entitled within the meaning of Article 89 paragraph 2 letter a of the Federal Supreme Court Act of 17 June 2005¹⁵⁵ to appeal to the Federal Court.

Art. 142 Enforcement costs
(Art. 86 VAT Act)

If the debt enforcement claim under Article 86 paragraph 9 VAT Act is withdrawn, the taxable person bears the enforcement costs incurred.

**Title 6
Relief from VAT for Beneficiaries who are exempt from VAT
under the HSA**

Art. 143 Entitlement to claim tax relief
(Art. 107 para. 1 let. a VAT Act)

¹ Institutional and individual beneficiaries are entitled to claim relief from VAT.

¹⁵¹ Repealed by No I of the O of 18 Oct. 2017, with effect from 1 Jan. 2018 (AS **2017** 6307).

¹⁵² Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁵³ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁵⁴ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁵⁵ SR **173.110**

² Institutional beneficiaries are:

- a. beneficiaries under Article 2 paragraph 1 HSA¹⁵⁶ who are exempt from the indirect taxes in accordance with public international law, an agreement concluded with the Federal Council for exemption from the indirect taxes or a decision of the Federal Department of Foreign Affairs (FDFA) under Article 26 paragraph 3 HSA;
- b. beneficiaries under Article 2 paragraph 1 HSA domiciled abroad, to the extent they are exempt from the indirect taxes in accordance with their foundation deeds, a protocol concerning the privileges and immunities or other public international law agreements.

³ Individual beneficiaries are:

- a. heads of state and government while actually exercising an official function on Swiss territory and persons in their entourage who enjoy diplomatic status;
- b. diplomatic representatives, consular officials, and persons in their entourage, provided they enjoy the same diplomatic status as the former on Swiss territory;
- c. high officials of institutional beneficiaries under paragraph 2 letter a who enjoy diplomatic status and the persons in their entourage, to the extent they enjoy the same diplomatic status on Swiss territory provided they are exempt from indirect taxes on the basis of an agreement between the Federal Council or the FDFA and the institutional beneficiaries in question or on the basis of a unilateral decision of the Federal Council or of the FDFA;
- d. delegates to international conferences, who enjoy diplomatic status, if the international conference they are attending is itself exempt from the indirect taxes in accordance with paragraph 2 letter a;
- e. persons carrying out an international mandate under Article 2 paragraph 2 letter b HSA, who enjoy diplomatic status on Swiss territory and are exempt from the indirect taxes on the basis of a decision of the Federal Council and the persons in their entourage, provided such enjoy the same diplomatic status.

⁴ Swiss citizens have no claim to tax relief.

⁵ Relief from VAT is effected by tax exemption at source under Articles 144 and 145 and, in exceptional cases, by refund under Article 146.

Art. 144 Tax exemption

(Art. 107 para. 1 let. a VAT Act)

¹ Exempt from the tax are:

- a. supplies of goods and services on Swiss territory by taxable persons to institutional and individual beneficiaries;

¹⁵⁶ SR 192.12

b.¹⁵⁷ the acquisition of supplies from businesses with their place of business abroad by institutional and individual beneficiaries.

² The tax exemption applies only to supplies of goods and supplies of services:

- a. to individual beneficiaries if they are exclusively for personal use;
- b. to institutional beneficiaries if they are exclusively for official use.

Art. 145 Conditions for the tax exemption

(Art. 107 para. 1 let. a VAT Act)

¹ An institutional beneficiary that wishes to claim a tax exemption must before every acquisition of supplies certify on the official form that the supplies acquired are for official use.

² An individual beneficiary who wishes to claim tax exemption must before every acquisition of supplies have certified by the institutional beneficiary to which the person belongs, on the official form, that the person enjoys the status under Article 143 paragraph 3, which confers entitlement to tax free acquisition. The individual beneficiary must hand over the official form signed in person to the supplier and provide proof of identify on every acquisition of supplies with the identification card issued by the competent federal authority.

³ A tax exemption under Article 144 paragraph 1 letter a may be claimed only if the effective acquisition price for the supplies indicated on the invoice or an equivalent document is at least 100 francs, including tax. This minimum amount does not apply to telecommunications and electronic services under Article 10 and for supplies of water in pipes, gas and electricity by utility companies.

⁴ The conditions under paragraphs 1–3 for claiming tax exemption do not apply to acquisitions of motor fuel for which the institutional or the individual beneficiary may claim exemption from the mineral oil tax based on Articles 26–28 of the Mineral Oil Tax Ordinance of 20 November 1996¹⁵⁸, on Articles 30 and 31 of the Ordinance of 23 August 1989¹⁵⁹ on the Customs Privileges of Diplomatic Missions in Bern and Consular Posts on Swiss territory and of Articles 28 and 29 of the Ordinance of 13 November 1985¹⁶⁰ on the Customs Privileges of International Organisations, of States in their relations with such Organisations and of Special Missions of Foreign States. In this case the supplier must be able to prove that the FOCBS has not levied the mineral oil tax or has refunded it.

Art. 146 Tax refund

(Art. 107 para. 1 let. a VAT Act)

¹ In justified cases, the FTA may on application refund tax amounts already paid for which a claim to tax relief exists; it may, in consultation with the FDFA, charge a processing fee for this service.

¹⁵⁷ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁵⁸ SR **641.611**

¹⁵⁹ SR **631.144.0**

¹⁶⁰ SR **631.145.0**

² For the tax refund, Article 145 paragraph 3 applies by analogy.

³ An institutional beneficiary may not make more than two applications for a tax refund per calendar year. The official form must be used.

⁴ Individual beneficiaries may not make more than one application for a tax refund per calendar year. The applications by individual persons must be collected by the organisation to which they belong for submission once annually.

⁵ The FTA may, in consultation with the FDFA, set a minimum refund amount per application. No payment interest is paid on the refund amounts.

Art. 147 Retention obligation
(Art. 107 para. 1 let. a VAT Act)

The taxable person must retain in full the originals of the official forms used, together with the other receipts, in accordance with Article 70 paragraph 2 VAT Act. For electronically transmitted and stored official forms, Article 122¹⁶¹ applies by analogy.

Art. 148 Input tax deduction
(Art. 107 para. 1 let. a VAT Act)

The tax on supplies of goods, on imports of goods and on supplies of services that are used to effect tax free supplies to institutional and individual beneficiaries may be deducted as input tax.

Art. 149 Subsequent tax collection and offences
(Art. 107 para. 1 let. a VAT Act)

¹ If the conditions for a tax exemption under Articles 144 and 145 are not met or subsequently not fulfilled, in cases of tax exemption under Article 144 paragraph 1 letter a the institutional or the individual beneficiary is obliged to pay the taxable person an amount equivalent to the tax due. If this amount is not paid, it is due by the taxable person, to the extent this person is at fault. Institutional and individual beneficiaries are obliged to pay the tax subsequently on the acquisition of supplies of services from businesses with their place of business abroad.

² The provisions of the Vienna Conventions dated 18 April 1961¹⁶² on Diplomatic Relations and dated 24 April 1963¹⁶³ on Consular Relations and of the Headquarters Agreement are reserved.

Art. 150¹⁶⁴ Voluntary taxation of supplies exempt without credit
(Art. 107 para. 1 let. a VAT Act)

The supplies referred to in Article 21 paragraph 2 numbers 20 and 21 VAT Act, without the value of the land may be taxed voluntarily, provided they have been made to

¹⁶¹ The reference has been adapted in application of Art. 12 para. 2 of the Publications Act of 18 June 2004 (SR **170.512**) on 1. Jan. 2018.

¹⁶² SR **0.191.01**

¹⁶³ SR **0.191.02**

¹⁶⁴ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024 485**).

institutional beneficiaries under Article 143 paragraph 2 letter a, regardless whether the institutional beneficiary is liable for tax on Swiss territory. This option is limited to properties and parts of properties which:

- a. are used for administrative purposes, in particular offices, conference rooms, warehouses, parking places, or which
- b. are intended exclusively as the residence of the head of a diplomatic mission, a permanent mission or another representative in inter-governmental organisations or of a consular post.

Title 7

Refund of VAT to Customers with Domicile or Place of Business Abroad

Art. 151 Persons entitled to claim

(Art. 107 para. 1 let. b VAT Act)

¹ The right to a refund of the taxes incurred under Article 28 paragraph 1 letter a and c VAT Act shall be granted to persons who import goods or have supplies made on the territory of the Swiss Confederation against a consideration provided they also:¹⁶⁵

- a. have their domicile, place of business or permanent establishment abroad;
- b. are not a taxable person on Swiss territory;
- c. do not make supplies on Swiss territory subject to paragraph 2; and
- d. prove to the FTA their business character in the state of their domicile, of their place of business or of the permanent establishment.

² The entitlement to a tax refund remains intact if:

- a. the person is exempt from tax liability under Article 10 paragraph 2 letter b VAT Act;
- b. does not waive this exemption; and
- c. the exemption is not exclusively attributable to Article 10 paragraph 2 letter b number 1^{bis} VAT Act.¹⁶⁶

³ Refund of the tax is conditional on the state of residence or of place of business or of the permanent establishment of the applicant business granting a corresponding reciprocal right.

Art. 152 Reciprocal right

(Art. 107 para. 1 let. b VAT Act)

¹ Reciprocal right is deemed to be given if:

¹⁶⁵ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁶⁶ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

- a. businesses with their domicile or place of business on Swiss territory have the right to claim refunds in the foreign state concerned of the VAT paid on supplies acquired there which in scope and restrictions is commensurate with the right of input tax deduction which businesses resident in the foreign state enjoy;
- b. in the foreign state concerned a tax comparable with the Swiss VAT is not imposed; or
- c. in the foreign state concerned a different type of sales tax from the Swiss VAT is imposed, which affects businesses with their domicile or place of business in the foreign state in the same way as businesses with their domicile or place of business on Swiss territory.

² The FTA shall maintain a list of the states with which a reciprocal right declaration has been exchanged under paragraph 1 letter a.

Art. 153 Scope of the tax refund

(Art. 107 para. 1 let. b VAT Act)

¹ The tax refund is commensurate in scope and limitations with the right of input tax deduction under Articles 28–30 and 33 paragraph 2 VAT Act. A refund is made at a rate of tax that is no higher than the statutory maximum rate for the supply concerned. Value added tax paid on supplies that are not subject to or exempt from tax under the VAT Act is not refunded.¹⁶⁷

² Travel agents with their place of business abroad are not entitled to refunds of the taxes which have been invoiced to them on Swiss territory for the acquisition of supplies of goods and services that they charge on to customers.¹⁶⁸

³ Repayable taxes are refunded only if their amount in a calendar year reaches at least 500 francs.

Art. 154¹⁶⁹ Refund period

(Art. 107 para. 1 let. b VAT Act)

¹ The refund period corresponds to the calendar year. The application for a refund must be made within six months of the end of the calendar year in which an invoice was issued for the supply made.

² If the supplier becomes liable for tax, the refund period ends at this time. The application for a tax refund for this period must be submitted with the first VAT return.

¹⁶⁷ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁶⁸ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁶⁹ Amended by No I of the O of 15 Aug. 2018, in force since 1 Jan. 2019 (AS **2018** 3143).

Art. 155 Procedure

(Art. 107 para. 1 let. b VAT Act)

¹ The application for a tax refund must be addressed to the FTA with the suppliers' invoices or with the FOCBS' assessment advice. The invoices must meet the requirements under Article 26 paragraph 2 VAT Act and be in the name of the applicant.¹⁷⁰

² The FTA's form must be used for the application.

³ The applicant must appoint a representative with domicile or with a place of business on Swiss territory.

⁴ The tax displayed on cash receipts may not be refunded.

⁵ The FTA may demand further details and documentation.

Art. 156 Refund interest

(Art. 107 para. 1 let. b VAT Act)

If the tax refund is paid out later than 180 days after receipt of the complete application by the FTA, refund interest set by the FDF is paid for the period from the 181st day until payment, provided the relevant state grants reciprocal rights.

Title 8 Value Added Tax Consultative Commission¹⁷¹**Art. 157**¹⁷² Status

(Art. 109 VAT Act)

The Value Added Tax Consultative Commission (Consultative Commission) is an extra-parliamentary commission under Article 57a of the Government and Administrative Organisation Act of 21 March 1997¹⁷³.

Art. 158¹⁷⁴ Composition of the Consultative Commission

(Art. 109 VAT Act)

The Consultative Commission comprises fourteen permanent members.

Art. 159 Method of work and secretariat

(Art. 109 VAT Act)

¹ The Consultative Commission meets as necessary. Meetings are convened by the chairperson.

^{1bis} The FTA attends the meetings of the Consultative Commissions in an advisory capacity.¹⁷⁵

¹⁷⁰ Amended by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁷¹ Amended by No I of the O of 12 Oct. 2011, in force since 1 Jan. 2012 (AS **2011** 4739).

¹⁷² Amended by No I of the O of 12 Oct. 2011, in force since 1 Jan. 2012 (AS **2011** 4739).

¹⁷³ SR **172.010**

¹⁷⁴ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁷⁵ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

² The FTA performs the administrative secretarial work and takes the minutes; the minutes shall include the recommendations of the Consultative Commissions and any majority and minority opinions.¹⁷⁶

Art. 160¹⁷⁷ Comments and recommendations
(Art. 109 VAT Act)

The Consultative Commission submits its comments and recommendations to the FDF. It may disclose any majority and minority opinions.

Art. 161 Power of decision
(Art. 109 VAT Act)

¹ The Consultative Commission has no power of decision.

² The decision to establish practice lies with the FTA.¹⁷⁸

Art. 162¹⁷⁹ Public information
(Art. 109 VAT Act)

¹ The discussions and the documents laid before or drawn up by the Consultative Commission are confidential. This does not include drafts of established practice by the FTA; these are published electronically on the FTA website¹⁸⁰ at the same time that the invitation to the meeting of the Consultative Commission at which they are expected to be discussed is sent.

² With the consent of the FTA, the Consultative Commission may provide the public with information about its business.

Title 9 Final Provisions

Chapter 1 Repeal and Amendment of Current Law

Art. 163

The Ordinance of 29 March 2000¹⁸¹ to the Federal Act on Value Added Tax is repealed.

¹⁷⁶ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁷⁷ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁷⁸ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁷⁹ Amended by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

¹⁸⁰ www.estv.admin.ch > Mehrwertsteuer > Fachinformationen > Konsultativgremium.

¹⁸¹ [AS **2000** 1347; **2001** 3294 No II 4; **2004** 5387; **2006** 2353; 4705 No II 45; **2007** 1469 Annex 4 No 24; 6657 Annex No 9]

Chapter 2 Transitional Provisions

Art. 164 Subsidiary liability on assignment (Art. 15 para. 4 VAT Act)

The assignee is liable only for the VAT on receivables which it acquires under a global assignment concluded after 1 January 2010.

Art. 165 Subsequent input tax deduction (Art. 32 VAT Act)

The provisions concerning subsequent input tax deduction do not apply to:

- a.¹⁸² flows of funds not qualifying as considerations (Art. 18 para. 2 VAT Act), which after the new law comes into force no longer result in a reduction of the input tax deduction under Article 33 paragraph 2 VAT Act;
- b. own supplies taxed as own use for construction purposes under Article 9 paragraph 2 of the VAT Act dated 2 September 1999¹⁸³.

Art. 166 Choice of method (Art. 37 and 114 VAT Act)

¹ When the VAT Act comes into force, the notice periods under Article 37 paragraph 4 VAT Act for changing from the effective reporting method to the net tax rate method and vice versa begin to run again.

² When the VAT Act comes into force, the notice periods under Article 98 paragraph 2 for changing from the effective reporting method to the flat tax rate method and vice versa begin to run again.

³ Where Article 114 paragraph 2 VAT Act provides for a notice period of 90 days, this notice period takes precedence over the 60-day notice period under Articles 79, 81 and 98 of this Ordinance.¹⁸⁴

Art. 166a¹⁸⁵ Transitional provision to the Amendment of 18 October 2017 (Art. 10 para. 1 let. a VAT Act)

In the case of foreign businesses without a permanent establishment on Swiss territory that have made taxable supplies on Swiss territory in the twelve months before this Ordinance comes into force, the exemption from tax liability under Article 9a terminates when this Ordinance comes into force, provided in these twelve months they have reached the turnover threshold under Article 10 paragraph 2 letter a or c VAT Act for supplies on Swiss territory and abroad that are not exempt from the tax without credit and it must be assumed that they will also provide taxable supplies on Swiss territory in the twelve months following this Ordinance coming into force. If the

¹⁸² Amended by No I of the O of 18 June 2010, in force since 1 Jan. 2010 (AS **2010** 2833).

¹⁸³ [AS **2000** 1300]

¹⁸⁴ Amended by No I of the O of 30 Oct. 2013, in force since 1 Jan. 2014 (AS **2013** 3839).

¹⁸⁵ Inserted by No I of the O of 18 Oct. 2017, in force since 1 Jan. 2018 (AS **2017** 6307).

supplies were not made for the entire twelve months before this Ordinance comes into force, the turnover must be extrapolated to a full year.

Art. 166b¹⁸⁶ Transitional provision to the Amendment of 15 August 2018

(Art. 7 para. 3 let. b VAT Act)

Where goods supplied from abroad onto Swiss territory are exempt from import tax because of the negligible amount of tax, the supplier becomes liable for tax when the Amendment of 15 August 2018 comes into force if it achieved a turnover of 100 000 francs or more from supplying such goods in the previous twelve months and it must be assumed that it will continue to make such supplies in the twelve months following the amendment coming into force.

Art. 166c¹⁸⁷ Transitional provision to the Amendment of 16 June 2023

(Art. 65a VAT Act and Art. 123 of this Ordinance)

¹ Taxable persons that have filed their returns in paper form before the Amendment of 16 June 2023 comes into force may continue to file their returns in paper form until 31 December 2024.

² Corrections of returns that have been filed in paper form must also be filed in paper form.

Art. 166d¹⁸⁸ Transitional provision to the Amendment of 21 August 2024

(Art. 35 para. 1^{bis} let. b VAT Act)

Taxable persons who have not yet been entered in the VAT register for a full year when the amendment of 21 August 2024 comes into force must convert their turnover to a full year in order to determine whether the turnover threshold in Article 35 paragraph 1^{bis} letter b of the VAT Act has been exceeded.

Art. 166e¹⁸⁹ Transitional provision to the Amendment of 21 August 2024

(Art. 37 VAT Act)

¹ The time limits under Article 37 paragraph 4 of the VAT Act for changing from the effective reporting method to the net tax rate method and vice versa shall restart when the amendment of 21 August 2024 comes into force.

² The time limits under Article 98 paragraph 2 for changing from the effective reporting method to the flat tax rate method and vice versa shall restart when the amendment of 21 August 2024 comes into force.

¹⁸⁶ Inserted by No I of the O of 15 Aug. 2018, in force since 1 Jan. 2019 (AS **2018** 3143).

¹⁸⁷ Inserted by No I of the O of 16 June 2023, in force since 1 Jan. 2024 (AS **2023** 312).

¹⁸⁸ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485).

¹⁸⁹ Inserted by No I of the O of 21 Aug. 2024, in force since 1 Jan. 2025 (AS **2024** 485)..

Chapter 3 Commencement Date

Art. 167

¹ This Ordinance, with the exception of Article 76, comes into force on 1 January 2010.

² Article 76 comes into force at a later date.

