

**Vast know-how, applied Concisely, Conscientiously and Pragmatically for entrepreneurs, SMEs and private individuals!**

**What's of importance to you, in a nutshell:**

Official reference interest rate for rental relationships: unchanged at **1.5%** (2 March 2018)  
→ **a reduction to 1.25% is anticipated for mid-2020!**


Safe haven interest rates for advances/loans expected to remain unchanged; here, an overview of the key rates for CHF-based arrangements:

- to participants / related parties (financed out of shareholders' equity) **0.25%**
- from participants / related parties (working capital loans to operating companies) **3.00%**

The entire renewed Circular (in German) will be available soon at [www.estv.admin.ch](http://www.estv.admin.ch)

- **QR invoices as of 30 June 2020**

Go to [www.einfach-zahlen.ch](http://www.einfach-zahlen.ch) to learn more about QR invoices and the next evolutionary step, the eBill. One thing is for sure: after 30 June 2020, the orange and red payment slips you're accustomed to will remain usable only until the end of a (somewhat lengthy) transitional period. Check with your IT specialist or software supplier to find out how you can gear up for the new era of QR invoices. A QR IBAN number needs to be added if you print your QR payment slips at the end of your invoices. Small businesses, institutions or private individuals that have no automated billing program can obtain blank QR payment slips from their financial services provider, with or without consecutive reference numbers.

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|--|---------|--------|-----|--------|--|---------|--------|-----|--------|--|
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| Währung  | Betrag  |        |     |        |  |         |        |     |        |  |
| CHF  | 524.25  |        |     |        |  |         |        |     |        |  |
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The new-generation slips are completely white instead of the traditional orange or red.

- **Tax deduction for payments made to foreign post-retirement benefit schemes**

Under certain conditions, payments to foreign pension funds or the like are tax deductible. Until now, the tax authorities have only allowed the deduction if the taxpayer is subject *exclusively* to the foreign social security regime; in other words, not simultaneously subject as well to Swiss AHV/IV or BVG. However, in a recent decision, the Federal Supreme Court ruled that voluntary payments are also possible, provided this does not result in over-insurance. The deduction is conditioned on the foreign pension scheme's compatibility with a Swiss post-retirement benefit scheme and the fact that the contributions are linked.

- **Personal taxation: Negative interest is a deductible cost of private wealth management**

For tax purposes, negative interest is not treated like debt interest as it is charged on credit balances and not on outstanding debt. It is considered to be a cost incurred in connection with the management of one's "movable capital assets" and therefore constitutes a deductible expenditure.

- **TRAF – Watch out when preparing your 2019 annual financial statements!**

Holding companies, domiciliary entities and businesses with R&D expenditures should keep a special eye on the new rules under the Corporate Tax Reform Act when drawing up their 2019 annual financial statements and transitioning to regime applicable in 2020 and beyond. The Swiss "patent box" (the details of which are minimally spelled out by international comparison) applies only to patent-protected R&D outlays. Software development is not included, as it is protected in Switzerland only under copyright.

- **Elimination of bearer shares – transition phase ends on 30 April 2021!**

By passing the so-called "Global Forum Act", Swiss lawmakers put an end to all bearer shares of unlisted stock corporations as of November 1, 2019. During a subsequent 18-month transition period, those outstanding bearer shares are to be converted into registered shares and the share register updated accordingly. Otherwise, on 1 May 2021 the bearer shares still in existence will be converted by law, and, until the given company's articles of incorporation are amended to reflect the change, no further entries can be made in the Commercial Register. As of 31.10.2024, any remaining bearer shares will become null and void and be replaced by treasury shares of the company!

- **Simultaneous posting of dividends within a group structure**

In principle, investment income is only booked on the date of dividend distribution. However, in a group structure, the parent company can – subject to certain conditions – record in its own accounts the income it is entitled to from a given subsidiary already in the financial year in which the subsidiary generated that income. In order to preserve the right to claim a refund of withholding tax or, as it were, to conduct the related reporting procedure, the investment income must be definitively booked to the income statement at the time it is due (i.e. the effective dividend distribution date). To comply with these requirements, the parent company posts the investment income to its own books in financial year X on a transitory basis (posting: transitory assets / income from investments) and reverses it (income from investments / transitory assets) when the accounting for the present fiscal year (X+1) is opened. At the time of the actual distribution in X+1, the investment income is then reposted to the income statement (posting: asset account [bank] / investment income).

(FTA Circular 008-DVS-2018-d, 10.07.2018 – *in German only*)

**YES, WE CAN!**

*Just write an email to [hello@advise.ag](mailto:hello@advise.ag) in case you would like to receive the German printed version of our INPUT for you or any interested person or company.*

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