

**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: **1,5%** (1 June 2023)  
 → **An increase to 1,75% is expected as per 1 December and one more step to 2% by end of 2024 (Source: various in www)**

New safe haven interest rates for advances/loans were announced; here, an overview of the key rates for CHF-based arrangements:

- to participants / related parties (financed out of shareholders' equity) **1,50%**
- from participants / related parties (working capital loans to operating companies) **3.75%**

The FTA Circulars (in German) are available at [www.estv.admin.ch](http://www.estv.admin.ch) for CHF and for FX.

- **New VAT rates as of 1 January 2024**

The revised rates of 8.1%, 2.6% and 3.8% take effect at the start of the new year. Already now, the VAT forms for periods after 01.07.2023 allow for turnover declarations to be made at the new rates if service or maintenance turnover for periods in 2024 was billed already. But also in other respects, prudent accounting heads or CFOs are well advised to prepare their systems regarding VAT already today for the time after 01.01.2024.

- **1 September 2023 = Zero Hour for the revised Datenschutzgesetz (DSG)**

The original Datenschutzgesetz (Data Protection Act), in force since 1993, has now been revised to take into account technological change and business dealings in the digital realm. Obviously, the way data is used has changed dramatically over the past three decades and an adaptation of the law was necessary. As a result, the Swiss Data Protection Act is now more in line with international law in the sense that the cross-border exchange of data is now also possible without any additional requirements. All companies are affected by this change, even the smallest SMEs, and they need to take the appropriate steps, e.g. by appointing a data protection officer. Especially in the case of personal data, and even more so when that data is of a sensitive nature, you should make sure that it is recorded only when necessary, and if so, that it is deleted in a timely manner, whilst bearing in mind that the available information can be provided at any time upon official request.

In case of uncertainty, reach out to us via email at [meilen@advise.ag](mailto:meilen@advise.ag) and we shall provide you with a copy of the TJS-Update 09.2023: "Testen Sie Ihr Wissen" (in German).

- **AHV: "Reference age" for women to increase in four steps as of 2025**

The AHV retirement age – now officially called the "reference age" – will gradually increase for women from the current 64 years of age to 65 years, as reflected in the following table:

In the year	Reference age for women	Applicable to those women born in
2024	64 years (no increase)	1960
2025	64 years + 3 months	1961
2026	64 years + 6 months	1962
2027	64 years + 9 months	1963
2028	65 years	1964 and later

Women born in the transitional phase between 1961 and 1969 will receive a monthly supplement to their lifelong pension. A separate table offers details in this regard.

- **Good to know for owners of real estate!**

**Total renovation: Recent court decision greatly improves deduction possibilities**

For property owners, so-called “value-preserving” maintenance costs may be deducted from their taxable income, but “value-enhancing” measures may not. The tax authorities have increasingly deemed the costs incurred for total renovations to be wholly value-enhancing since, from an economic standpoint, essentially an entirely new building has been created. The Federal Supreme Court has now countermanded this practice and ruled that also in these instances the constructional measures are to be subjected to individual review, and that a distinction between value preservation and value enhancement be determined accordingly. This is a favourable development for building owners who are planning major renovation projects. Bear in mind that schematics and detailed offers as well as before/after photos are crucial evidentiary documents!

A related example: The costs for replacing an old, simple kitchen with a new, simple kitchen under today’s standards are fully tax deductible as maintenance.

- **Real estate capital gains tax in Canton Zurich: information on market value 20 years ago**

The Steuerrekursgericht Zürich has come to a legally binding resolution: If a taxable person requests to inspect the register of property ownership changes that took place 20 years ago, he or she must be granted access to the complete record of such filings (with the names of the parties) which the municipality intends to use in its calculation of “current market value 20 years ago”. Inspection must take place in the offices of the local tax authority, but without the possibility of making copies or photographs. If you are contemplating the sale of a property, this transparency can be very useful when arguing for a “current market value 20 years ago” that is at variance with the more broad-stroked comparable property values. Here, an experienced tax advisor can help you achieve considerable tax savings.

- **Article 725 et seq. CO – impending insolvency, capital loss and overindebtedness**

In conjunction with the 01.01.2023 entry into force of the revised Companies Act, the Swiss Code of Obligations has been reformulated to include additional responsibilities for board members and managing directors of AGs/GmbHs that are encountering financial difficulties. A timely analysis of the situation is certainly advisable in such instances, and we are here to help.

This summer has blessed us with a wealth of sunshine and warmth on Lake Zurich and the surrounding region. But thinking ahead to next year, we would heartily recommend that you consider a brief sojourn to the sun parlour of Switzerland, namely the shores of Lago Maggiore – or more precisely, Locarno/Muralto. The homepage of [www.villamuralto.ch](http://www.villamuralto.ch), a charming B&B boutique hotel within walking distance of the Locarno railway station, will give you an idea of what awaits you. Once there, you are sure to sense the true meaning of relaxation. Further information will accompany our INPUT #1 / 2024.

**YES, WE CAN!**

**P.S.: Beside German, we service in ENGLISH – Géstions en FRANCAIS – Gestiones en ESPAÑOL**

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