SWITZERLAND TAX | VAT · COMPLIANCE · KEY FACTS · FTA

Swiss VAT key facts: rates, registration threshold, filing and foreign companies

Published 7 October 2026 · The Finance Intellect · Source-based summary

Swiss VAT is 8.1%, with a 2.6% reduced rate and 3.8% for accommodation. Registration starts at CHF 100,000 of worldwide turnover, and returns are due 60 days after each period.

Country reference

- Country: Switzerland (Wave 1 expansion country)
- Authorities: Federal Tax Administration (FTA)
- Topic: Value added tax: rates, liability, registration and filing
- Key date: Returns and payment due 60 days after each reporting period
- Law: Federal Act on Value Added Tax

Rates

- Standard rate: 8.1%.
- Reduced rate: 2.6%, for food (not alcoholic drinks), medicines, books, newspapers and magazines, plants, animal feed and, since 1 January 2025, menstrual hygiene products.
- Special rate: 3.8% for accommodation with breakfast in hotels and similar businesses.
- A vote on 29 November 2026 will decide whether the standard rate rises to 8.5% and the special rate to 4.0% from 2028.

Who must register

- A business is liable once turnover from taxable or zero-rated supplies reaches CHF 100,000 a year.
- For non-profit sports and cultural associations the threshold is CHF 250,000.
- Businesses below the threshold may register voluntarily.
- Registration is online with the FTA, within 30 days of the start of tax liability.

Foreign companies

- The CHF 100,000 test looks at worldwide turnover. A foreign company that reaches it and makes supplies in Switzerland is liable.
- Companies abroad that provide only exempt supplies, or services subject to the reverse charge, are not liable.
- A foreign business without a Swiss seat must appoint a representative domiciled in Switzerland. It can be any natural or legal person.
- The FTA no longer requires foreign businesses to provide security on registration.

Filing and payment

- The return must be filed and the tax paid within 60 days after the end of the reporting period, without being asked.
- Late payment interest runs automatically after the deadline, at rates the Federal Department of Finance sets each year. It is generally charged only above CHF 100.
- Since 1 January 2025, businesses with annual turnover of up to CHF 5,005,000 can apply to settle VAT once a year, as a simpler option than quarterly or half-yearly returns.

What to do now

- Foreign sellers: test worldwide turnover against CHF 100,000 before the first Swiss supply, not after.
- Diarise the 60-day deadline for each period. The return is due without any request from the FTA.
- Smaller businesses: consider annual settlement to cut the number of filings.
- Follow the 29 November vote if prices or contracts extend into 2028.

Our take

The Swiss threshold surprises foreign groups because it counts turnover everywhere, so a large company is liable from its first taxable Swiss sale. A regional group selling services or goods into Switzerland should settle the registration question at contract stage.

Sources

- Federal Tax Administration: Swiss VAT rates
- Federal Tax Administration: Tax liability for VAT
- Federal Tax Administration: VAT liability of foreign companies
- Federal Tax Administration: Paying VAT
- Federal Tax Administration: Annual reporting
- Federal Department of Home Affairs: VAT vote of 29 November 2026 (in German)

Important. This summary is for general information and is not tax, legal or financial advice. It is based on public Federal Tax Administration and Swiss federal government publications and may be incomplete or out of date. The official legislation and guidance prevail; check the official text before acting.

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