

Switzerland – Tax Alert

In the focus: Change of Swiss VAT rates as from 1 January 2018

This Tax Alert informs that based a people’s decision of 24 September 2017 the Swiss VAT rates for supplies as from 1 January 2018 are going to change as follows:

	Applicable till 31 December 2017	Applicable as from 1 January 2018	Comment
Standard rate	8.0 %	7.7 %	
Reduced rate (no change)	2.5 %	2.5 %	typically foodstuff
Special rate	3.8 %	3.7 %	accommodation sector

Supplies that are going to be provided as from 1 January 2018 are subject to the applicable VAT rate as from 1 January 2018, irrespective of the date of the invoice. Should the old rate be shown on invoices for supplies after 1 January 2018, the VAT amount corresponding to this old rate is due, according to the general principle that “the VAT shown is the VAT due”.

If supplies are made based on on-going contracts, the supplier should inform the recipient about the change of the applicable VAT rates as from 1 January 2018 in writing (e.g. an amendment to an existing contract) in order that the supplier may split the proceeds pro rata temporis between the tax rate applicable till 31 December 2017 and as from 1 January 2018.

Businesses that are going to issue invoices in the year 2017 for supplies to be made in the year 2018 need to adapt their accounting and invoicing immediately. Other businesses should implement the new VAT rates in their systems as soon as possible.

Contact



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