



September 2020

Your contacts

Roman Fallet
Director
+41 58 792 72 82
roman.fallet@ch.pwc.com

Franziska Schmid
Senior Manager
+41 58 792 72 31
franziska.schmid@ch.pwc.com

Implementation of Tax Reform and AHV Financing in the canton of Appenzell Innerrhoden

On 19 May 2019, the Swiss population voted by a large majority in favour of the Federal Act on Tax Reform and AHV Financing (STAF). The aim of the STAF bill and its implementation in the cantons is to achieve international acceptance of Swiss corporate taxation. The changes affect the Swiss Federal Act on Direct Federal Tax (DBG) and the Tax Harmonisation Act (StHG) in particular and include abolition of the cantonal tax status (privileged taxation of holding companies, mixed companies and domiciliary companies) and the introduction of internationally recognised substitute measures.

The amended cantonal tax law was approved by the voters of the canton of Appenzell Innerrhoden in the postal referendum on 23 August 2020.

The cantonal bill will take retroactive effect from 1 January 2020.

In particular, the reduction in the profit tax rate will lead to a significant reduction of the tax burden for all companies domiciled in the canton that have not benefited from any privilege to date.

The following page provides an overview of the most important changes to the law with an impact on corporate taxation.

If you have any questions, your usual contacts or one of the following STAF experts at PwC St. Gallen will be happy to help you.

Overview of the most important legislative changes with their effects on corporate taxation in Appenzell Innerrhoden

