

# PwC's international tax comparison 2020

Get an overview of the tax landscape in  
Switzerland and across the world with PwC

[www.pwc.ch/international-tax-comparison](http://www.pwc.ch/international-tax-comparison)





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# Comparison of taxes for corporations and individuals

PwC's tax comparison tool is a quick and easy way to get an idea of tax rates for corporations and individuals.

Tax rates for natural persons vary depending on net income. You can conduct comparisons on three levels: with a taxable net income of 100 000 CHF, a net income of 250 000 CHF, and the marginal tax rate. And you can do all that for the different cantons.

When it comes to corporate entities, we also offer a worldwide comparison. Whether you want to compare tax rates in the canton of Thurgau with those in Chile

or see how Hong Kong compares with Germany, the international tax comparison tool allows you to examine all the permutations.

The map of Switzerland featured in this document shows tax rates for the capital of each canton. You'll also find this information and a lot more on our interactive map of Switzerland. Put together your own comparisons at: [www.pwc.ch/international-tax-comparison](http://www.pwc.ch/international-tax-comparison)

Feel free to contact us if you have any questions.

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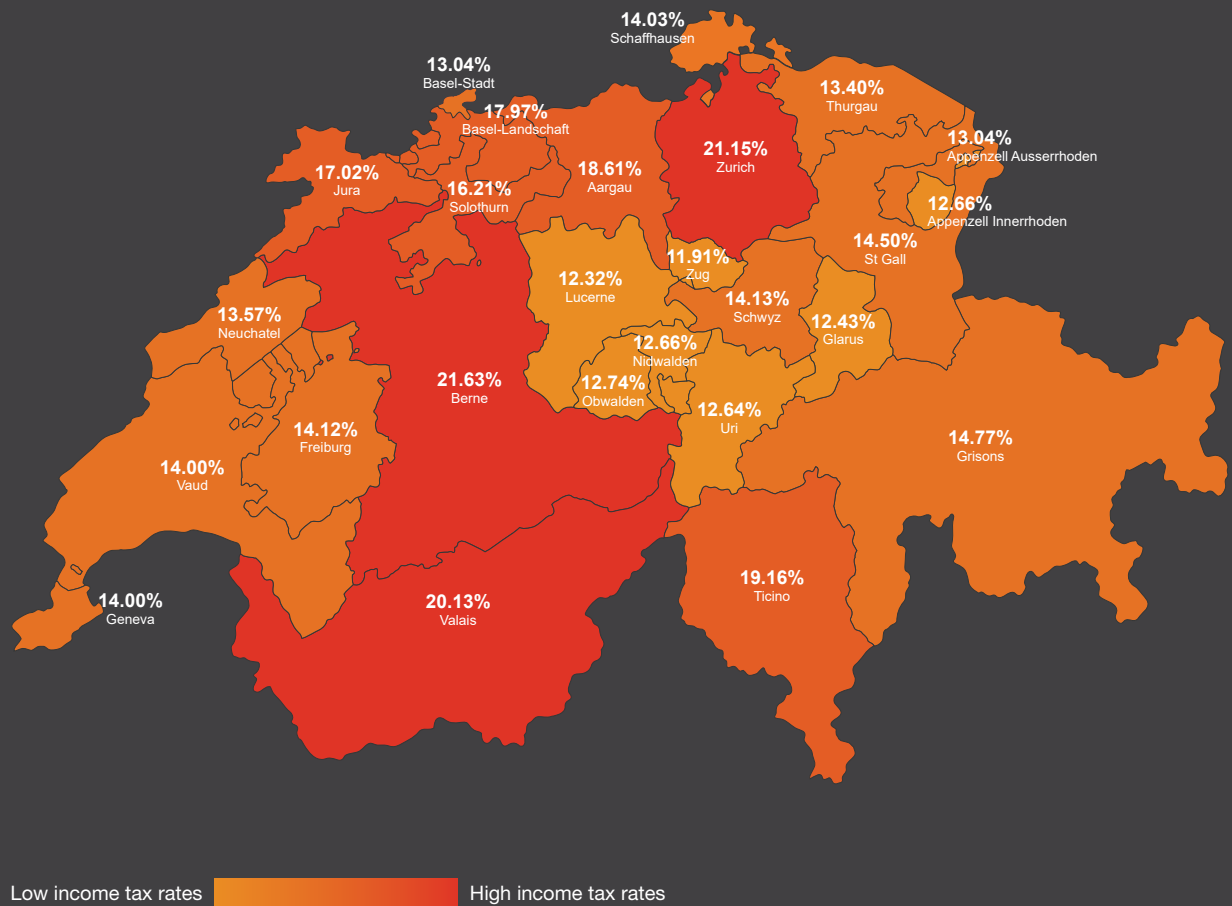
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# Comparing taxes: legal entities

Compared to 2019, there have been some significant reductions in ordinary cantonal tax rates in many cantons. This is a result on Swiss corporate tax reform, which became effective as of 1 January 2020.

The graphic below shows very clearly that the cantons of Bern, Zurich and Valais have some of the highest tax rates in the country, while tax rates in central Switzerland are significantly lower.

As a result of the Swiss tax reform, due to the introduction of new relief measures, from 2020 the effective corporate income tax rate can further be reduced for companies qualifying for one or more of the newly introduced relief measures, such as the deduction for R&D costs, the patent box deduction, the deduction on net equity (the latter in the canton of Zurich only) or if they qualify for temporary transition relief due to the abolishment of former tax regimes.

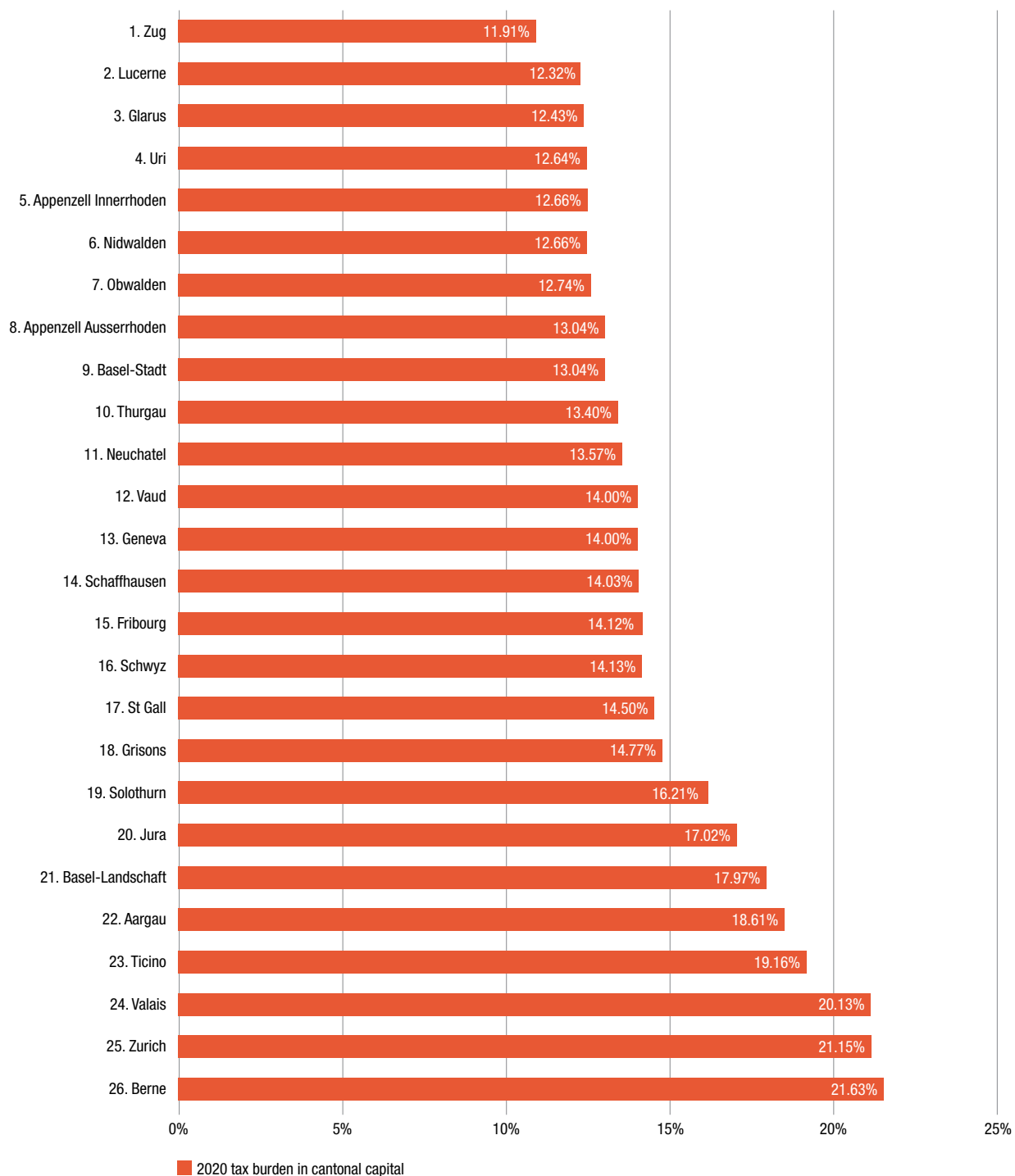


# 2020 corporate tax rates in Switzerland

Within the cantons themselves, corporate tax rates vary considerably depending on where the entity is located or moving to. There are various cantons with a uniform tax rate for all municipalities, including Neuchâtel, St. Gallen

and Basel-Stadt. For the other cantons, the tax rate may vary due to municipality-dependent multipliers. The table shows the rate for the cantonal capital.

## 2020 corporate tax rates in Switzerland

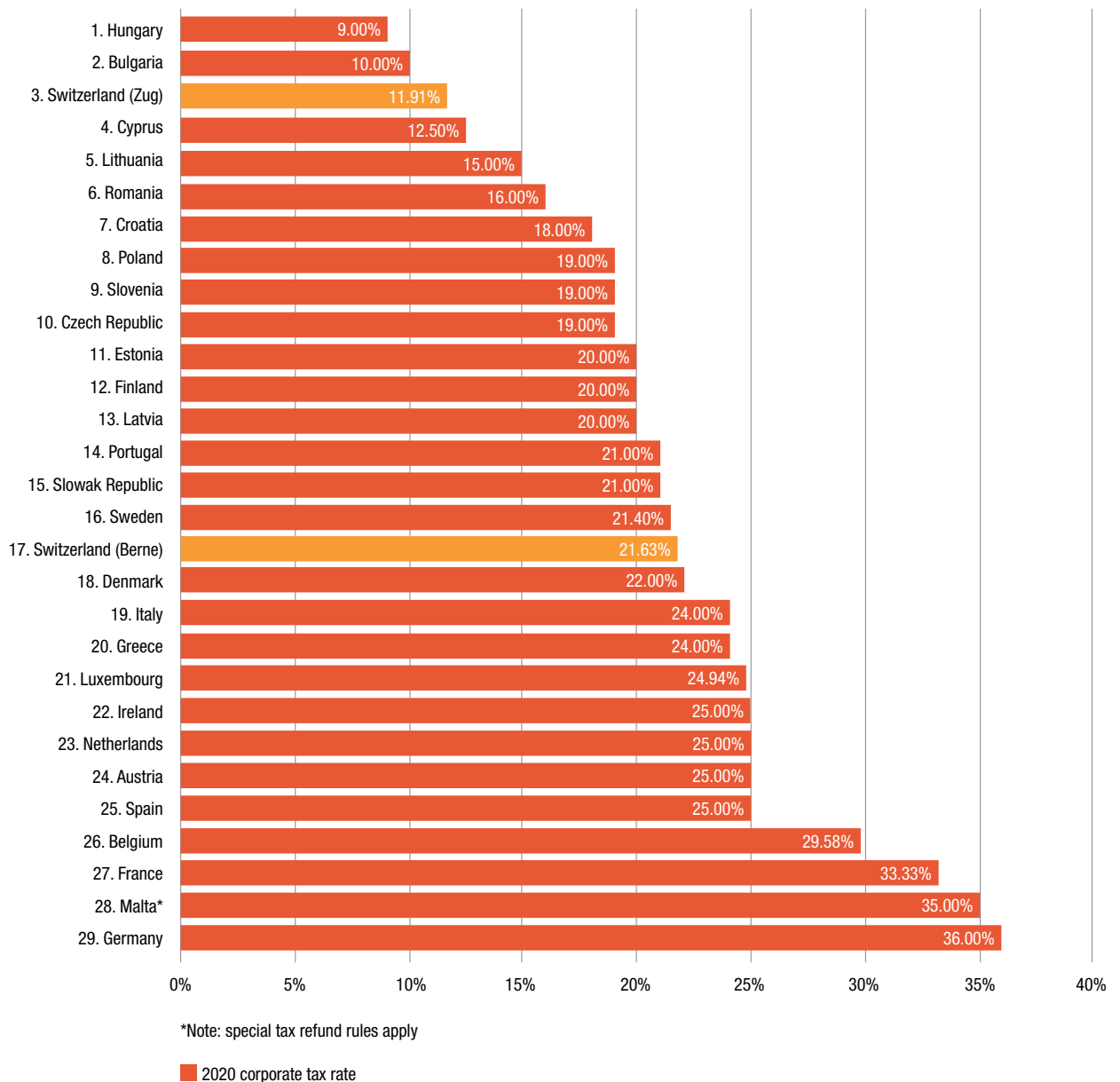


# 2020 corporate tax rates in the EU and Switzerland

The Swiss cantons with the lowest rates in Switzerland compare well with the lowest tax rates in EU countries. With a tax burden twice as high, the most expensive cantons rank in the lower mid-range internationally.

The most favourable cantons are near the top of the rankings. The chart compares the corporate tax rates in Zug and Bern with the tax rates of all EU countries.

## 2020 corporate tax rates in the EU and Switzerland

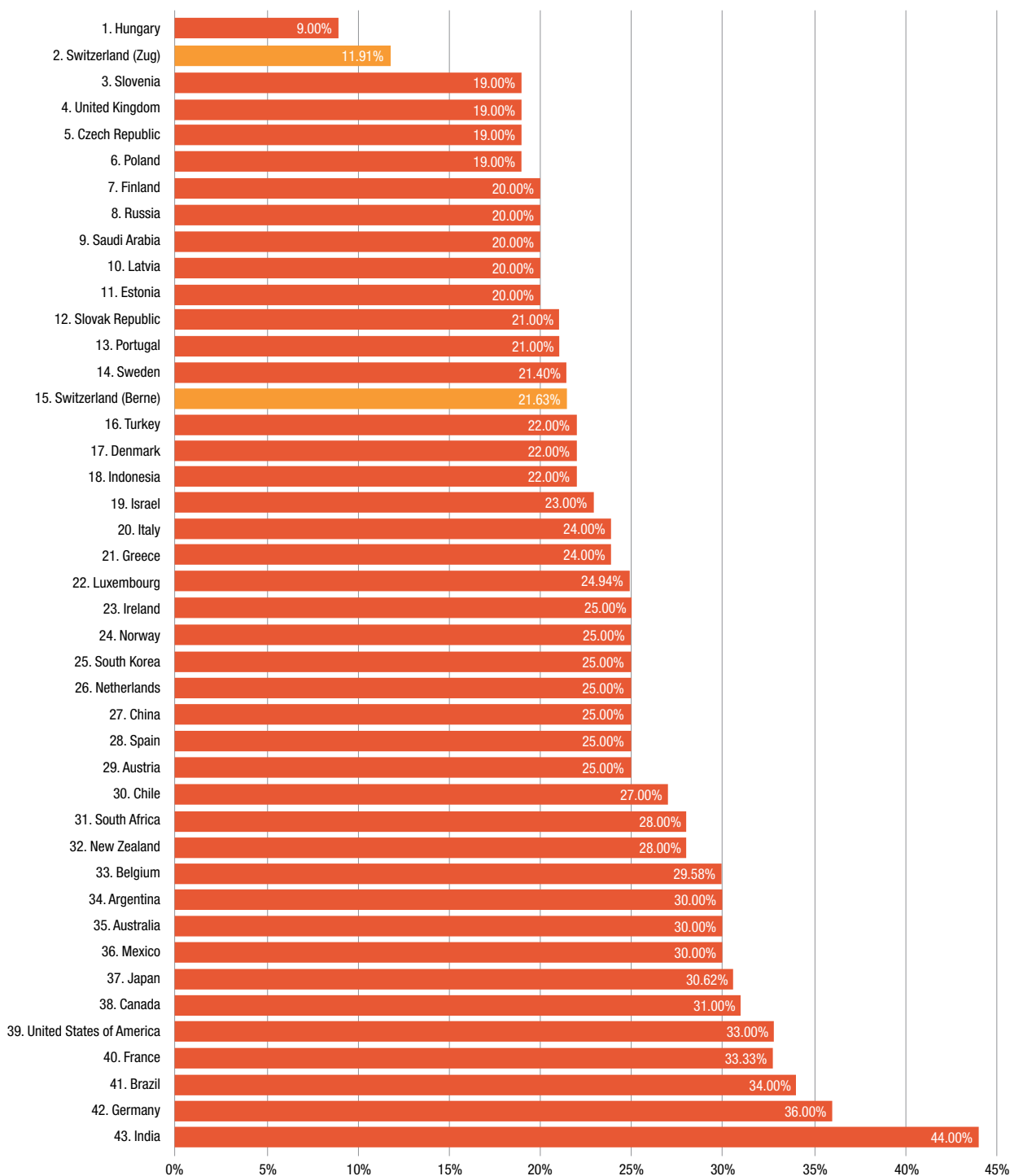


# 2020 corporate tax rates in OECD and G20 countries

The Swiss cantons with the lowest rates in Switzerland compare well with the lowest tax rates in the OECD/

G20 nations. With a tax burden twice as high, the most expensive cantons rank in the mid-range internationally.

## 2020 corporate tax rates: OECD and G20 countries





# Comparing taxes: natural persons

Income tax rates in Switzerland vary considerably from canton to canton and from municipality to municipality. For example, Zug has the lowest rate of any cantonal capital for a taxable income of 100'000 CHF (10.30%), and Neuchatel, the highest (24.10%). Maximum marginal tax rates for high incomes range from 22.40% in Zug, all the way up to 45.00% for Geneva.

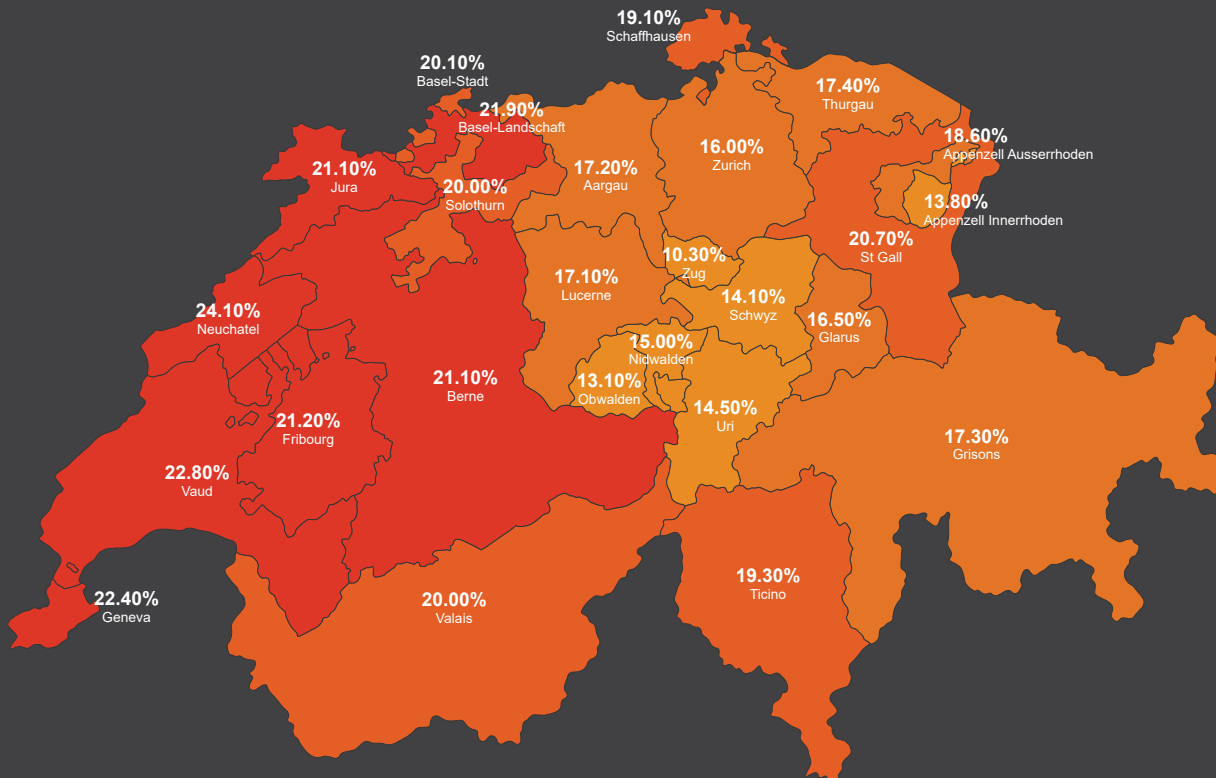
Find out how your canton of residence compares with others. At [www.pwc.ch/international-tax-comparison](http://www.pwc.ch/international-tax-comparison) you can use our interactive map of Switzerland to put together detailed comparisons.

On the next few pages we present an overview of the cantons.

# 2020 tax burden for natural persons (100'000 CHF net income)

This overview shows tax rates for each cantonal capital. The figures are for a net income of 100'000 CHF. In this scenario Canton Zug (represented by its capital, Zug) has the lowest tax rate, 10.30%. The most expensive

cantonal capital for a net income of 100'000 CHF is the municipality of Neuchatel, with a tax rate of almost double that 24.10%.

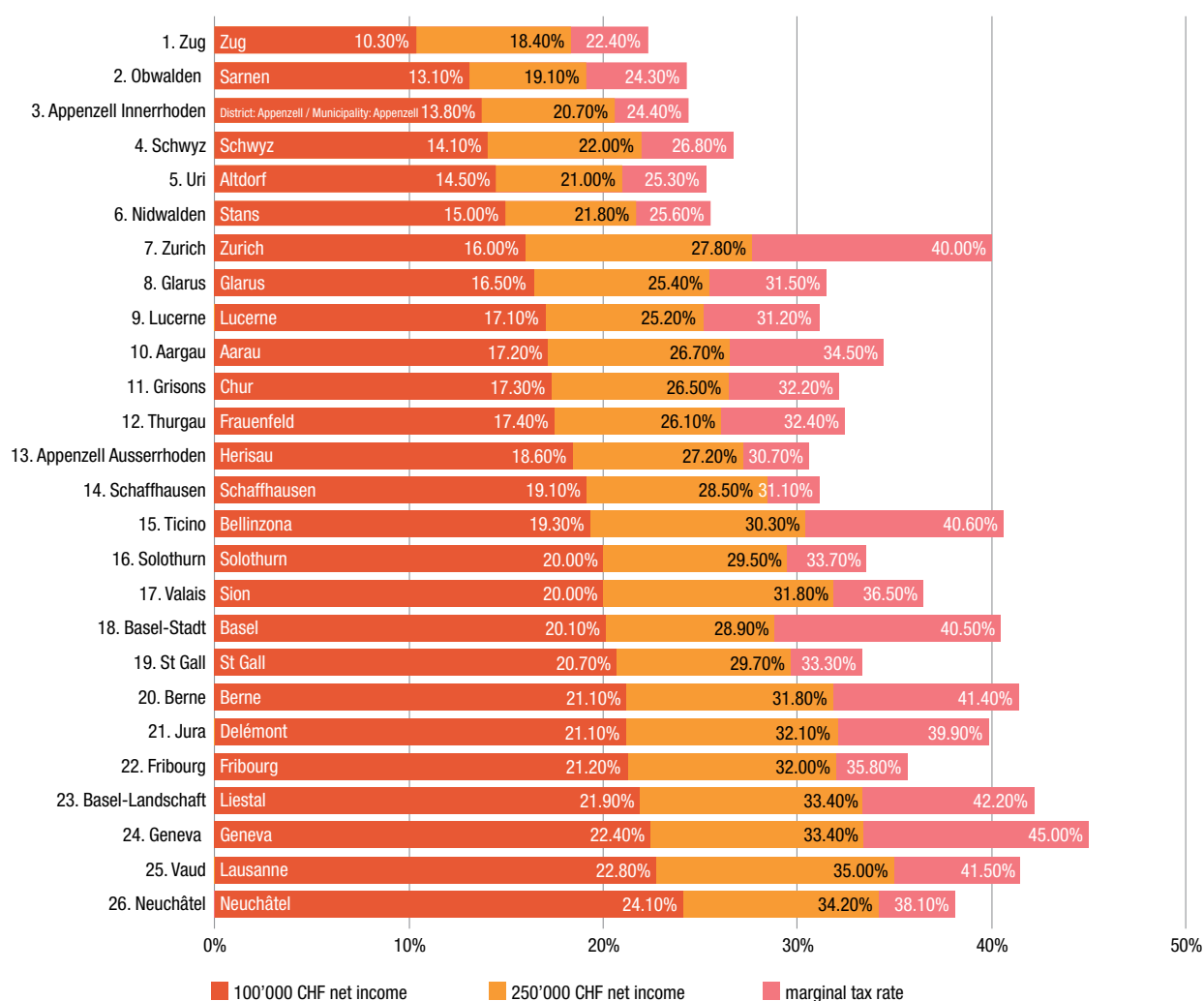


Low income tax rates High income tax rates

The chart below shows the rates for the different cantonal capitals. However, in some cases there are big differences within individual cantons. Under this

scenario, for example, the highest tax rate is 25.70% in the municipality of Enges in Canton Neuchatel, compared with only 24.10% in the canton's capital, Neuchatel.

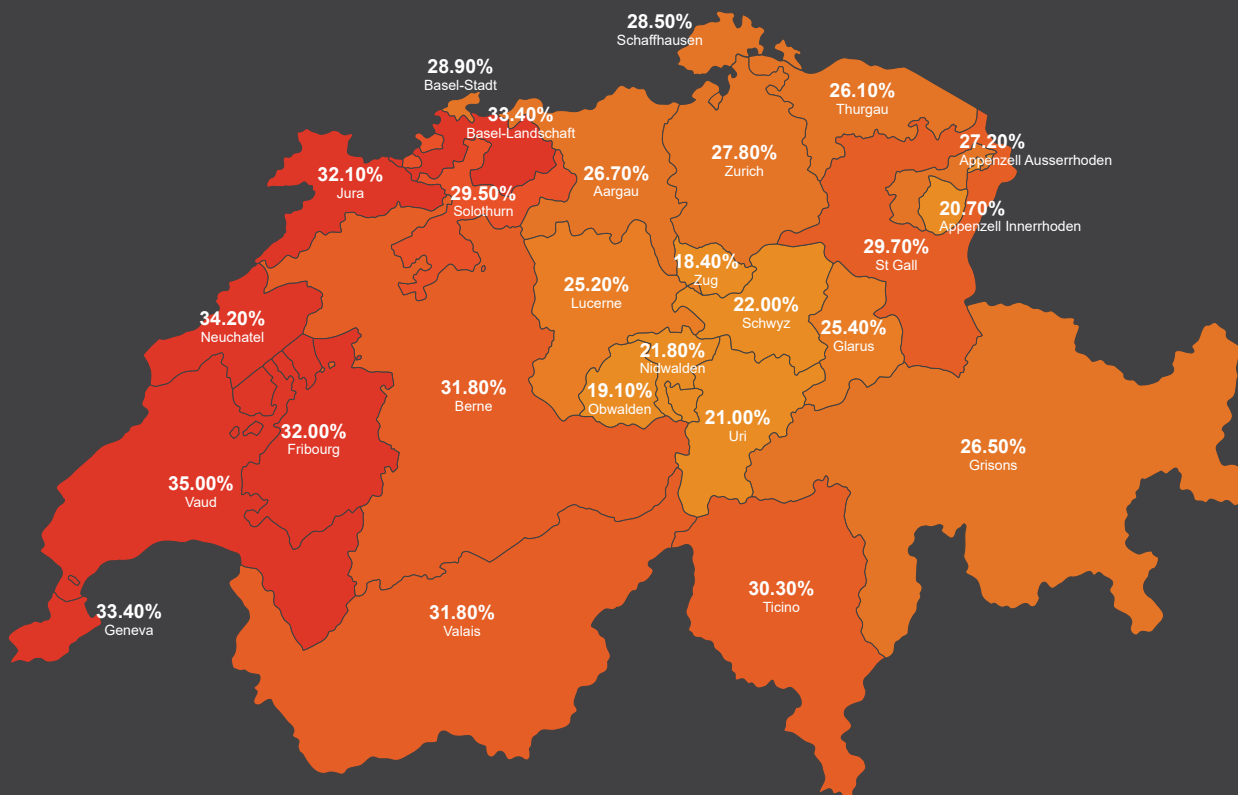
### 2020 tax burden for natural persons (sorted according to rate for 100'000 CHF net income)



# 2020 tax burden for natural persons (250'000 CHF net income)

This overview shows tax rates for each cantonal capital. The figures are for a net income of 250'000 CHF. Zug also leads the rankings in this scenario with an attractive

tax rate of 18.40%. The municipality of Lausanne, with a rate of 35.00%, is at the foot of the rankings.

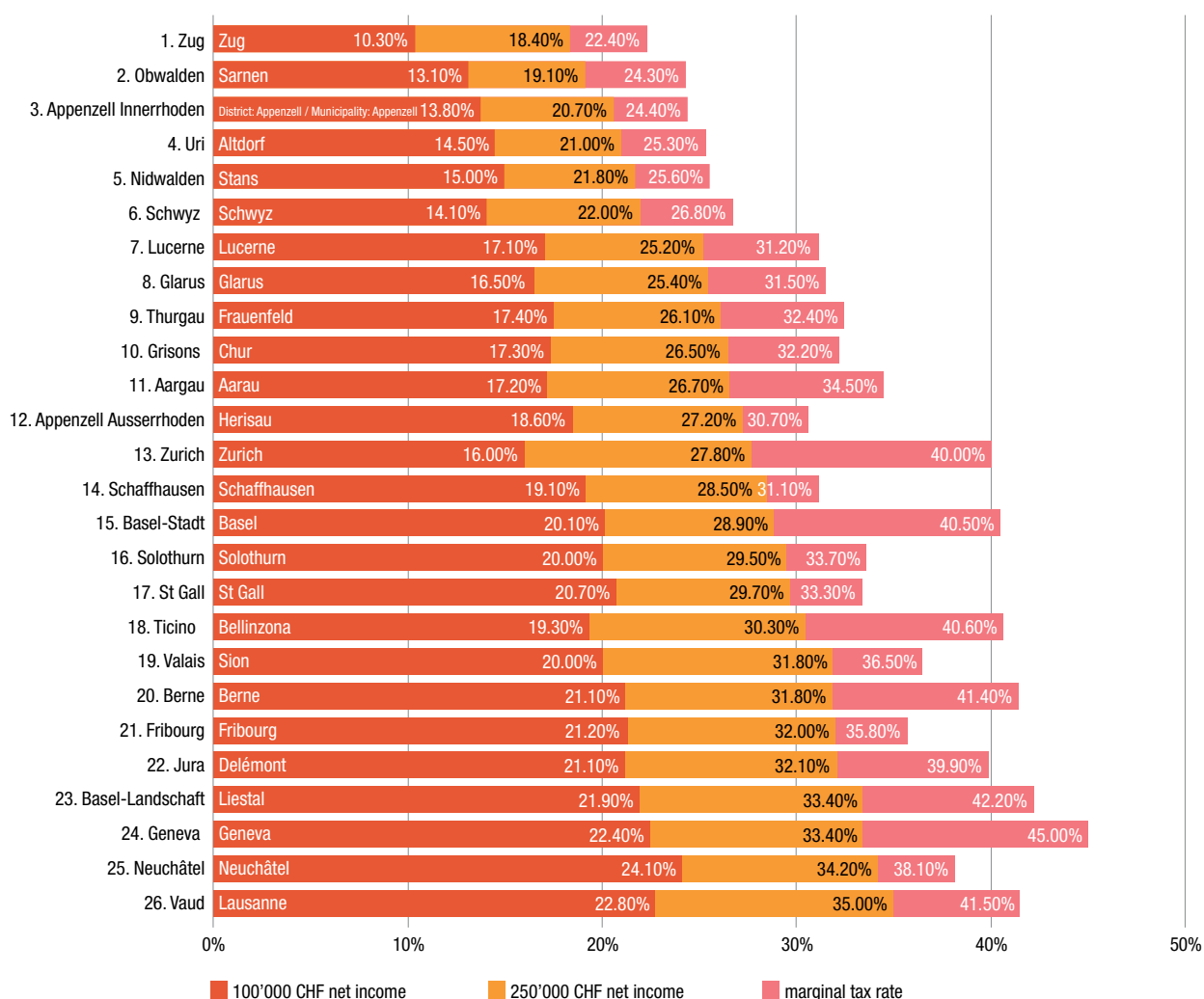


Low income tax rates High income tax rates

The chart below shows the tax rate for the different cantonal capitals. Rates may vary slightly by municipality due to different communal multipliers, except for Glarus which is the only canton with a uniform tax rate across all municipalities.

You can do further comparisons online at [www.pwc.ch/international-tax-comparison](http://www.pwc.ch/international-tax-comparison).

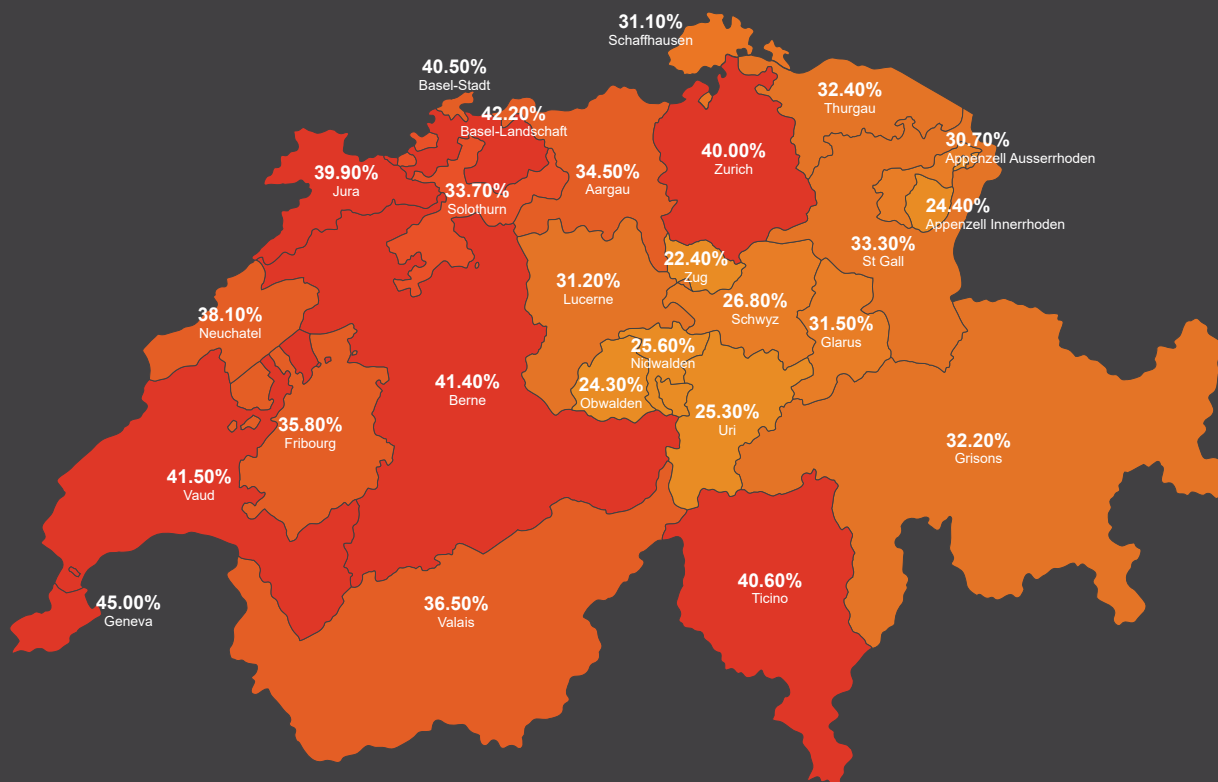
### 2020 tax burden for natural persons (sorted according to rate for 250'000 CHF net income)



# 2020 tax burden for natural persons (marginal tax rate)

This overview shows tax rates for each cantonal capital. The figures refer to the marginal tax rate. Here again, the municipality of Zug is at the head of the rankings

with a rate of 22.40%. At the foot of the rankings is the municipality of Geneva with 45.00%, almost double the rate of Zug.



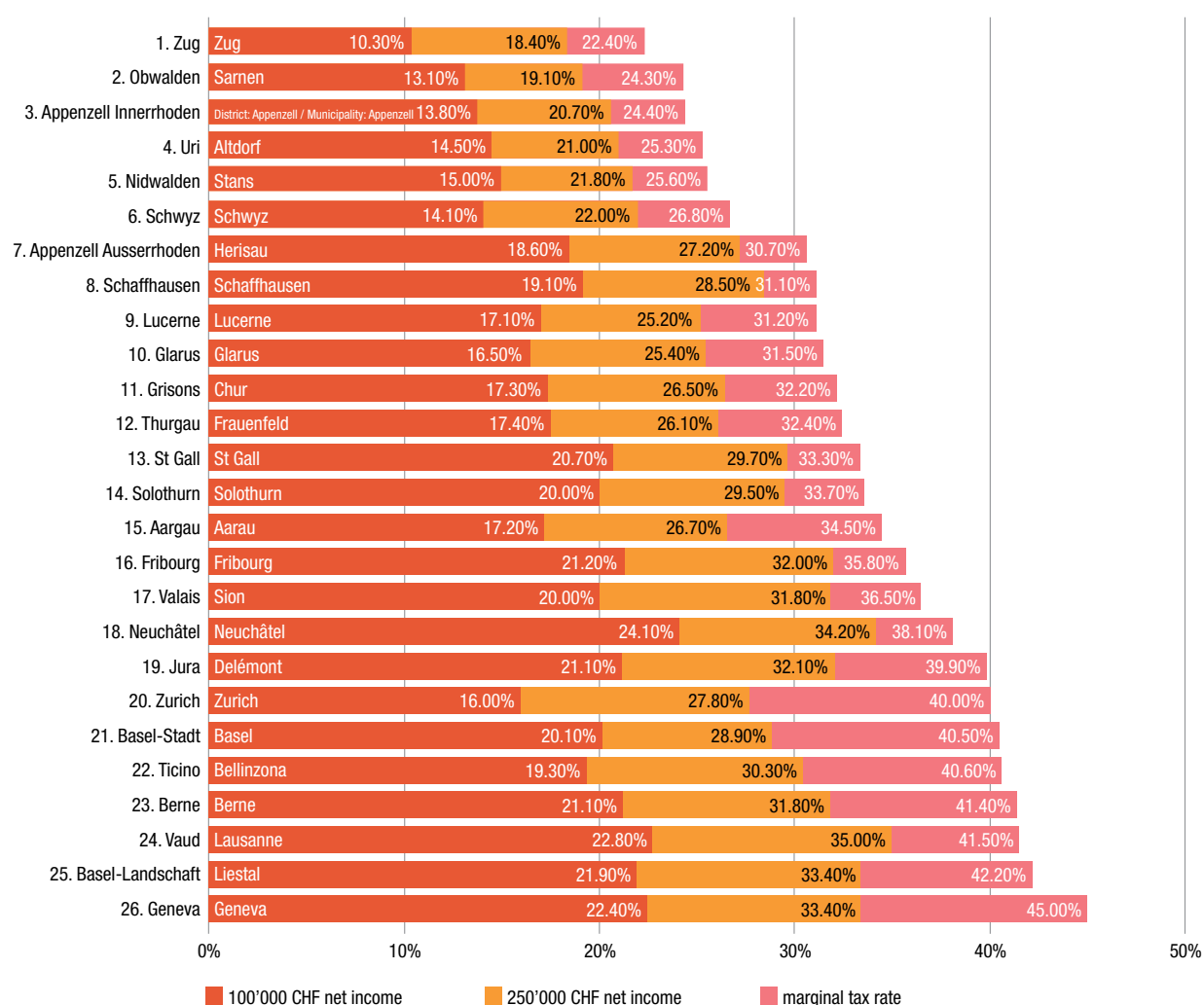
Low income tax rates High income tax rates

Depending on the level of income, it makes sense to compare applicable tax rates across cantons and municipalities. Even though the municipality of Zug has the lowest tax rate of any cantonal capital, a similar tax rate is found in the municipality of Wollerau in the canton

of Schwyz (which at 21.90% even boasts a slightly lower rate than Zug).

Do your own personal comparison online at [www.pwc.ch/international-tax-comparison](http://www.pwc.ch/international-tax-comparison).

### 2020 tax burden for natural persons (sorted according to marginal tax rate)



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