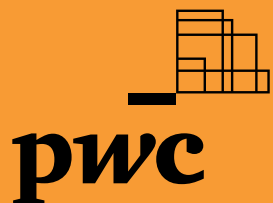


New e-commerce VAT rules in Switzerland as of 2025

'Deemed supplier concept' for platforms



Current situation

Suppliers selling goods to Switzerland from abroad via an online platform have to register for VAT and charge VAT on the subsequent supplies if their annual turnover from low-value consignments (VAT amount < CHF 5) exceeds CHF 100,000.

There are currently no VAT implications for platforms.

Changes as of 2025

The 'Deemed supplier concept' will be introduced for cross-border AND domestic supplies – two separate transactions will be deemed to have taken place under certain conditions:

- 1 Supply from the supplier to the platform – without CH VAT:**
 - a. Domestic supplies: VAT exempt (with input VAT deduction right)
 - b. Cross-border supplies to CH: place of supply abroad, no VAT

- 2 Supply from the platform to the end customer:**
 - a. Domestic supplies: subject to Swiss VAT
 - b. Cross-border supplies to CH: import VAT (generally) + Swiss VAT (8.1% / 2.6%) on B2B and B2C supplies

Resulting VAT implications for the platform as of 2025:

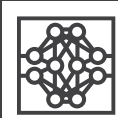
The platform is obliged to register for VAT if the platform's turnover from low-value-consignments from abroad exceeds CHF 100,000 per year (or in the case of local supplies in CH, if worldwide turnover exceeds CHF 100,000 per year).

If turnover from low-value-consignments from abroad exceeds CHF 100,000 per year:

- The place of supply performed by the platform is deemed to be in Switzerland.
- All subsequent supplies of goods from abroad to end customers in Switzerland, regardless of value, are subject to Swiss VAT, i.e. the platform will generally act as the importer of record and charge Swiss VAT to Swiss customers (even if no import VAT was due for the low-value-consignments in question).

The end result of this is that the obligation to register for VAT is shifted from the supplier to the platform.





Who is impacted?

- Local and foreign electronic platform as deemed suppliers
- Local and foreign suppliers performing sales to end customers in Switzerland via an electronic platform

Platforms are not impacted, if:

- the platform is not involved in the ordering process (neither directly nor indirectly)
- no turnover results for the platform from the activities conducted via the platform
- the platform is only involved in the payment process
- only advertisement services are performed
- buyers are only forwarded to another online platform.

Definition of an electronic platform

An electronic platform is defined as an electronic interface actively connecting different suppliers and buyers online in order to enable the sales of goods between them.



Additional implications

- **Subsidiary liability for sellers:** Suppliers are still subject to subsidiary liability together with the platform for the deemed supplies made by the platform.
- **Obligation for platform to disclose information to the Swiss tax authorities** about the sellers operating on the platform as well as the products offered.
- **Administrative measures are possible** in cases of non-compliance, such as import bans or even the destruction of goods in severe cases. Additionally, the names of non-compliant companies may be made public in order to protect customers.





Recommended immediate actions

- Assess the VAT implications and validate VAT registration obligations in Switzerland.
- Review your agreements and general terms and conditions, taking into account the new subsidiary liability, the obligation for platforms to disclose information, and other relevant obligations.
- Prepare your ERP system considering the necessary changes in invoice processing and layout, as well as compliance processes.
- Align with your suppliers, customers, and logistics service providers to agree on any potential changes in procedures.
- Ensure awareness of the new rules within your organisation.

► PwC is happy to support you on this journey.

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