

Lucerne Innovation Contribution

Luzern is repositioning itself for the future and is planning, among other things, the introduction of the Luzern Innovation Contribution (LIB) as part of the Luzern Economic Development Package. This will provide companies with incentives to strengthen innovation and sustainability in the canton of Luzern.

The amendment to the law will be dealt with in the public vote on 27 September 2026. If approved, the law will enter into force on 1 October 2026.

Key features of the Lucerne Innovation Contribution

Who benefits?

Companies that:

- are registered in the Lucerne commercial register;
- have a sustainability report and a ordinary audited annual financial statement;
- conduct basic research, industrial research or experimental development.

What is funded?

Expenses for innovation and R&D can be credited to the tax amount as follows:

- 30% for R&D personnel;
- 20% for investments (depreciation);
- 10% for contract research.

How do I proceed?

Applications must be submitted to the cantonal administration, Department District and Economic Affairs.

Submission deadline 30 April*

Decision by 30 September

*from claim year 2027, different deadlines apply for 2026

Frequently raised concerns – and our view on them



“We still have time”

- The first application must be submitted in spring 2027 (based on figures for 2024). Later applications will not be considered.
- Given the tight schedule for the first application year, proactive planning and analysis is recommended.
- Potential ambiguities in determining the qualifying cost base should be discussed with the authorities in a timely manner.

“We have no R&D costs in our books”

- Companies often provide services in the field of R&D, but these are not directly visible in their accounting or the annual financial statements.
- Segmentation of the income statement is therefore essential.
- Discussions with the accounting department and the auditor should be held now in view of the 2025 annual financial statements.

“The LIB is only relevant for large international companies”

- The LIB is very broad and is intended to be available to as many innovative companies in the canton of Lucerne as possible.
- In particular, the LIB is also open to companies that are not subject to the OECD minimum tax.
- The LIB will make a significant contribution to offsetting personnel costs in the areas of development, research and innovation.