

Frequently Asked Questions - Moving to and Living in Switzerland

By **Christine Breitler**, 16th August 2022

Switzerland is a very attractive location to live and work for many non-Swiss nationals. It offers amazing scenery as well as a number of world-famous cities such as; Berne, Geneva, Lausanne, and Zurich. It also offers an attractive tax regime for individuals as well as for companies, in the right circumstances.

We interview Thierry Groppi in our Dixcart office in Switzerland, on what it is like moving to Switzerland and living there. Thierry is the Business Development Manager in our Dixcart Office in Switzerland.

How Long Can Individuals Stay in Switzerland as a Tourist?

I am often asked this question.

Non-Swiss nationals are allowed to stay in Switzerland as tourists, without registration, for up to three months. After three months, if they are planning to stay in Switzerland, they must obtain a work and/or residence permit, and formally register with the Swiss authorities.

What is the Situation Regarding Working in Switzerland?

There are three ways to be entitled to work in Switzerland:

- Being hired by an existing Swiss company.
- Forming a Swiss company and become a director or an employee of the company.

- Investing in a Swiss company and become a director or an employee of the company.

When applying for Swiss work and/or residence permits, it is important to note that different regulations apply to EU and EFTA nationals compared to other nationals, so it is worth checking.

The most popular route is definitely individuals forming a company in Switzerland. This is because EU/EFTA and non-EU/EFTA nationals can form a company, be employed by it, reside in Switzerland, and benefit from the attractive tax regime.

Read more here: [How to Become Swiss Resident by Working in Switzerland - Dixcart](#)

What is the Minimum Investment Required for Swiss Residency, when Forming a Company by a Non-EU/EFTA citizen?

The company must present a business plan detailing how the amount to be invested in it will generate a turnover of CHF 1 million or more per annum, in the 'near future', and the business plan has to show that the company will achieve this turnover in a specified number of months, not necessarily in the first year (particularly if the company is a start-up).

Can Individuals Gain Swiss Residency Through Investment in Real Estate?

No, Switzerland does not offer a real estate investment route.

Non-Swiss nationals can only gain Swiss residency through the 'Swiss Business Investment Programme', detailed above or through the Swiss Lump Sum System of Taxation.

Swiss based real estate can be purchased after gaining a residence permit. Quotas may be applicable to non-Swiss nationals in relation to owning a second residence in Switzerland.

What is Swiss Lump Sum Taxation?

The Swiss Lump Sum System of Taxation is extremely popular. This annual tax is based on the applicant's 'expenses' (not income), which is generally calculated as being 7 times the applicant's annual rent.

A tax rate is then applied to the individual's expenses and depends on the canton. The tax rate is generally between 21% and 46%, as agreed with the relevant cantonal tax authority.

Minimum deemed expenses, are detailed by many cantons, some of which are listed below:

- Aargau – CHF 400,000
- Bern – CHF 400,000
- Geneva – CHF 600,000
- Fribourg – CHF 250,000
- Lucerne – CHF 600,000
- Ticino – CHF 400,000
- Schwyz – CHF 600,000
- St Gallen – CHF 600,000
- Uri – CHF 400,000

What are Some of the Advantages of Living in Switzerland?

There are so many advantages of living in Switzerland.

It has, and continues to be, one of the most sought-after countries to live in, in the world. It is a safe and neutral country, it has high standards of living and education, there are a variety of multicultural cities, and it is an all-round beautiful country with pristine lakes and the backdrop of the Alps.

It is also excellent for businesses. Business is investment friendly in Switzerland, and there is a great banking system.

Read more here: [The Ultimate Guide to Relocating to Switzerland](#)

How Can an Individual Become a Swiss Citizen?

An EU or non-EU/EFTA national must have lived at least 10 years in Switzerland to be able to apply for a Swiss passport.

However, if an EU or non-EU/EFTA national is the spouse of a Swiss national, they need only to have lived in Switzerland for 5 years.

A child of a Swiss national (under the age of 18) will automatically be granted Swiss nationality.

What Reputation Does a Swiss Passport Have?

A Swiss passport is very well respected across the world. It is well ranked in the world passport rankings in terms of visa free travel, with Swiss citizens able to travel, visa free, to 172 countries.

Which Cities are Well-known and Popular to Live in?

Geneva, Zurich, Bern, Lausanne, Basel, Lucerne, and Lugano are some of the most well-known cities in Switzerland, and are definitely the most popular in terms of where people live after relocating to Switzerland.

What Languages are Widely Spoken in Switzerland?

English is spoken everywhere, as well as the three national languages of: French, German and Italian.

Is Switzerland in Schengen?

Yes, Switzerland is a Schengen signatory, enabling free movement for Swiss nationals within the EU. A Swiss residence card also allows for free movements in Schengen countries.

Does Switzerland have Tax Treaties?

Yes, Switzerland has a large number of tax treaties, just over 100 in total.

Additional Information

For additional questions about how to relocate to Switzerland, or what it is like to live and work in Switzerland, please get in touch: advice.switzerland@dixcart.com.