



Taxation in Uri

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December 2009

A. Flat Rates in combination with high social deductions for individual taxpayers

→ The rates are subject to annually fixed cantonal and municipal multipliers. On average the multipliers are 100%

	canton	communes	churches	total
Income tax rates	7.2%	7.2%	1.0%	15.4%
Tax rates on net wealth	0.11%	0.11%	0.04%	0.26%
Savings capital pension plan	1.9%	1.9%	0.5%	4.3%

Social deductions on income

Personal deduction	CHF 14'500
Married personal deduction	CHF 11'000
Deduction for children	CHF 8'000 to CHF 20'800

Social deductions on net wealth

Personal deduction	CHF 80'000
Married personal deduction	CHF 80'000
Deduction for children	CHF 20'000

B. Example for calculation of the tax burden for individual tax-payers

Married Taxpayer with two children

Gross Income	CHF 100'000
Deduction for 1 st pillar (old age and survivors' insurance)	- CHF 6'050
Deduction for 2 nd pillar (mandatory pension plan)	- CHF 7'800
Deduction for job-related expenditure	- CHF 2'600
Deduction for insurances	- CHF 4'700
Married personal deduction	- CHF 11'000
Personal deduction	- CHF 14'500
Deduction for children (minimum CHF 8'000 per child)	- CHF 16'000
<i>Taxable base</i>	<i>CHF 37'350</i>
Cantonal tax	CHF 2'689
Communal tax	CHF 2'689
Federal tax	CHF 106
<i>Total tax</i>	<i>CHF 5'484</i>

C. Taxation on holding companies and of equity investment companies

Tax burden on taxable base

	canton	communes	churches	total
Corporate profits	0.0%	0.0%	0.0%	0.0%
Net wealth	-	0.001%	-	0.001%

Mixed holding companies

Swiss companies with substantial participations get tax relief in form of participation exemption (at federal and cantonal/municipal level)

100% holding companies

Uri applies a holding privilege for 100% holding companies. This results in a nearly complete exemption from tax at the cantonal and municipal level (including other than participation income). In general the requirements are:

- holding activity (no active business), and
- either 2/3 of the net assets must consist of participations
- or 2/3 of the total income must consist of income from participations.

D. Lump-sum taxation of resident aliens

Residents aliens may opt for lump-sum income taxation instead of the ordinary income and net wealth taxes under certain conditions. This tax is *not* based on the effective income derived by the tax-payer but on certain living expenses. It applies at the federal and cantonal/municipal level, but only if the tax-payer does not perform professional activity or employment in Switzerland.

The lump-sum is not lower than 70'000 swiss francs.

E. Attractive tax conditions in Uri (highlights)

- Individual income tax rates (see the charts below)
- Family taxation: Uri applies very favourable tax conditions for families, for instance Switzerland's highest tax deductions for children (up to 20'800 francs per child and year)
- Payments in cash of 2nd pillar savings capital: lowest tax rates in Switzerland
- Privileged taxation of substantial participations of minimum 10 percent: taxable base is reduced by 60 percent on dividends and participation capital
- Taxation of net worth: lowest tax rates in Switzerland (0.001 percent)
- Taxation of corporate income: canton with one of the lowest tax costs (less than 10 percent)
- Holding Companies: lowest tax rates in Switzerland
- Under certain conditions the cantonal government may grant tax breaks for newly established companies. Such privileges are always limited to a maximum of 10 years.

F. Income: Tax burden in Central Switzerland

Income tax for married tax-payers with two children (in percent)

Gross income in 1000 francs	50	80	100	150	200	300
<i>Lucerne</i>	1.79	5.35	6.98	10.09	12.25	14.70
<i>Nidwalden</i>	1.79	5.30	7.01	9.69	11.21	12.74
<i>Obwalden</i>	3.89	6.35	7.19	8.80	9.65	10.51
<i>Zug</i>	0.11	1.71	3.23	5.22	6.80	8.83
<i>Schwyz</i>	1.54	3.69	4.74	7.01	8.49	9.96
<i>Uri</i>	0.20	4.01	5.84	8.34	9.69	11.05
<i>Federal tax</i>	0.00	0.31	0.71	1.89	3.79	6.42

G. Net Wealth: Tax burden in Central Switzerland

Net wealth tax for married tax-payers with two children (in per mille)

Net wealth in 1000 francs	150	200	300	500	1000	2000
<i>Lucerne</i>	1.00	1.49	2.00	2.40	2.68	2.85
<i>Nidwalden</i>	0.95	1.16	1.36	1.53	1.65	1.72
<i>Obwalden</i>	1.00	1.11	1.24	1.34	1.42	1.45
<i>Zug</i>	0.00	0.14	0.36	0.89	2.14	3.08
<i>Schwyz</i>	0.00	0.69	1.37	1.92	2.33	2.54
<i>Uri</i>	0.00	0.60	1.30	1.90	2.35	2.57
<i>Federal tax</i>	<i>There is no federal net wealth tax</i>					