



TAX EXPENDITURES COUNTRY REPORT

Switzerland

Peter Hongler
Agustin Redonda

June 2026

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

The German Institute of Development and Sustainability (IDOS) is institutionally financed by the Federal Ministry for Economic Cooperation and Development (BMZ), based on a resolution of the German Bundestag, and the state of North Rhine-Westphalia (NRW) as a member of the Johannes-Rau-Forschungsgemeinschaft (JRF).

Suggested citation:

Hongler, P., & Redonda, A. (2026). *Tax expenditures country report: Switzerland*. German Institute of Development and Sustainability (IDOS) and Council on Economic Policies (CEP). <https://doi.org/10.23661/cr2.2026>

Disclaimer:

The analyses expressed in this paper are those of the author(s) and do not necessarily reflect the views or policies of the German Institute of Development and Sustainability (IDOS) or the Council on Economic Policies (CEP).



Except otherwise noted, this publication is licensed under Creative Commons Attribution (CC BY 4.0). You are free to copy, communicate and adapt this work, as long as you attribute the German Institute of Development and Sustainability (IDOS), the Council on Economic Policies (CEP) and the author(s).

DOI: <https://doi.org/10.23661/cr2.2026>

© German Institute of Development and Sustainability (IDOS) gGmbH

Tulpenfeld 6, 53113 Bonn

Email: publications@idos-research.de

<https://www.idos-research.de>



Authors

Peter Hongler is a professor of tax law at the University of St. Gallen. Peter was educated at the Universities of Bern (MLaw 2008) and Zürich (Dr. iur. 2011). He conducted research at the Universities of Zürich and Lucerne, the Institute for Austrian and International Tax Law at the Vienna University of Economics and Business, and the IBFD in Amsterdam. For an overview of his publications and speaking engagements please check the website www.alexandria.unisg.ch/persons/8263.

Agustin Redonda is a Senior Fellow with the Council on Economic Policies (CEP), where he leads CEP's work on tax expenditures and tax incentives. He is also the co-founder and co-director of the [Tax Expenditures Lab](#), which hosts the Global Tax Expenditures Database (GTED) and the Global Tax Expenditures Transparency Index (GTETI). Agustin holds a PhD in Economics, two MSc degrees in Economics, and a BA in Economics. He is a certified TADAT Assessor (Tax Administration Diagnostic Assessment Tool, IMF) and has also worked as a consultant for several governments and international organizations.

Acknowledgements

This report is part of a series of [Tax Expenditure Country Reports \(TECRs\)](#), overseen and edited by Agustin Redonda, senior fellow with the Council on Economic Policies (CEP), and Christian von Haldenwang, senior researcher with the German Institute of Development and Sustainability (IDOS). Alexander Barkawi (CEP director) as well as Flurim Aliu, Sofia Berg and Lucas Millán-Narotzky (fellows with CEP), and Subiksha Thirumamany, who is a PhD candidate and research assistant in tax law at the Institute for Law and Economics at the University of St. Gallen (ILE-HSG); provided additional feedback and valuable support in writing the document. Pepa Echanove (CEP), Katharina Schaarschmidt and Cornelia Hornschild (IDOS) contributed to formatting and editing the document.

Table of contents

List of abbreviations	3
Executive summary.....	5
Switzerland at a glance.....	7
Tax expenditures key figures.....	8
Key governance and institutional features.....	9
Tax expenditure reporting.....	14
Global Tax Expenditures Transparency Index (GTETI)	16
Benchmark.....	17
Revenue forgone	22
Evaluation	26
Political economy and reform.....	29
References.....	32

List of abbreviations

AHV	Alters- und Hinterlassenenversicherung (Old-Age and Survivors' Insurance)
Art.	Article
BTA	Federal Act on Beer Tax (Beer Tax Act, BTA) of 6 October 2006 (SR 641.411)
BTS	Benchmark Tax System
CA	Customs Act (CA) of 18 March 2005 (SR 631.0)
CHF	Swiss Franc
CIT	Corporate Income Tax
CO	Customs Ordinance (CO) of 1 November 2006 (SR 631.01)
EU	European Union
FBA	Federal Act on the Federal Budget (Federal Budget Act, FBA) of 7 October 2005 (SR 611.0)
FC	Federal Constitution of the Swiss Confederation of 18 April 1999 (SR 101)
FDTA	Federal Act on Direct Federal Tax (FDTA) of 14 December 1990 (SR 642.11)
FFA	Federal Finance Administration
FTA	Federal Tax Administration
FTHA	Federal Act on the Harmonisation of Direct Taxes of the Cantons and Municipalities (Federal Tax Harmonization Act) of 14 December 1990 (SR 642.14)
GDP	Gross Domestic Product
GTED	Global Tax Expenditures Database
GTETI	Global Tax Expenditures Transparency Index
MoF	Ministry of Finance
MOTA	Federal Act on Mineral Oil Tax (Mineral Oil Tax Act, MOTA) of 21 June 1996 (SR 641.61)
OECD	Organisation for Economic Co-operation and Development
ParIA	Federal Act on the Federal Assembly (Parliament Act, ParIA) of 13 December 2002 (SR 171.10)
PIT	Personal Income Tax
R&D	Research and Development
SECO	State Secretariat for Economic Affairs
SFAO	Swiss Federal Audit Office
SME	Small and Medium Size Enterprises

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

StDA	Federal Act on Stamp Duties of 27 June 1973 (SR 641.10)
SubA	Federal Act on Financial Aids and Compensation Payments (Subsidies Act, SubA) of 5 October 1990 (SR 616.1)
TaxA-SG	Tax Act of the Canton of St. Gallen (TaxA-SG) of 9 April 1998 (sGS 811.1)
TE	Tax Expenditure
TRAF	Federal Act on Tax Reform and AHV Financing
TTA	Federal Act on Tobacco Taxation (Tobacco Tax Act, TTA) of 21 March 1969 (SR 641.31)
USD	United States Dollar
VAT	Value Added Tax
VAT Act	Federal Act on Value Added Tax (Value Added Tax Act, VAT Act) of 12 June 2009 (SR 641.20)
WTO	World Trade Organization

Executive summary

Tax expenditures (TEs) constitute a key instrument in Swiss fiscal policy. Although they are widely used at both the federal and cantonal levels to pursue economic, social, and environmental objectives, their fiscal cost, effectiveness, and distributional consequences remain only partially documented. This report reviews the current state of TE reporting, estimation, evaluation, and reform in Switzerland.

The available evidence suggests that annual revenue forgone from federal TEs amounts to more than CHF 24 billion. However, this figure should be interpreted with great caution. It is based on outdated and incomplete information and likely represents a lower-bound estimate of the true fiscal cost of federal TEs. The latest comprehensive federal TE report was published by the Federal Tax Administration (FTA) in 2011, while many of the underlying revenue forgone estimates were themselves derived from an even older study conducted by the FTA in 2009 using tax return data from the canton of Bern and extrapolated to the rest of the country. More recently, the State Secretariat for Economic Affairs (SECO) published a combination of aggregate and provision-level estimates for 2019 in its 2021 report on the “State Footprint”. The figures included new estimates for some TE provisions, namely for TEs granted through the mineral oil tax and further excise taxes as well as the vehicle tax and the national road tax. Yet, most of the data was based on the estimates published in 2011. The report estimated the overall yearly revenue forgone stemming from the use of TEs at more than CHF 24 billion.

The 2011 report provides a detailed discussion of the benchmark classification of TE provisions used in Switzerland. The definition of the benchmark tax system (BTS) is key for TE policy-making as TEs are defined as deviations from the reference or benchmark tax system. Interestingly, and unlike most of the countries worldwide that rely primarily on existing legislation, the BTS for direct taxes in Switzerland is defined based on two theoretically grounded benchmarks: one based on income and an alternative based on consumption.

The lack of reliable and up-to-date information is particularly concerning given the legal framework governing direct subsidies and TEs. Article 7(g) of the Federal Act on Financial Aids and Compensation Payments (Subsidies Act, SubA) establishes that, in principle, the use of TEs should be avoided. In its 1986 dispatch, the Federal Council explicitly warned that TEs can undermine tax equity, reduce democratic oversight, and escape systematic scrutiny because their fiscal implications are often difficult to quantify. On this note, Article 5 of the SubA requires the federal government to report on TEs every six years as part of its broader subsidy reporting obligations. This requirement has not been fulfilled. The issue has been repeatedly noted by the Federal Council, Parliament, and the Swiss Federal Audit Office (SFAO) and yet, a regular and institutionalized reporting framework has still not been established.

The current estimate of more than CHF 24 billion in TEs on the federal level does not account for the fiscal cost of cantonal TEs. Indeed, at the subnational level, reporting is even more limited with only two significant estimation exercises: a 2011 study conducted by the FTA on personal income tax (PIT) related TEs in the canton of Zug, and a 2025 review of PIT related TEs published by the canton of Zürich. No canton has established a recurring TE reporting framework. Furthermore, with the exception of TEs related to regional policy, no federal or cantonal estimation exercise currently provides estimates of TEs granted through corporate income tax (CIT), despite the growing importance of tax incentives in the CIT system.

Based on the limited available data from 2011, one can observe that the composition of Swiss TEs is highly concentrated. The ten largest federal provisions account for approximately CHF 16.1 billion, or roughly 63 percent

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

of total reported federal revenue forgone. The largest single provision is the deduction for mandatory second-pillar pension contributions under PIT, estimated at CHF 3.5 billion annually. Other major provisions include the reduced VAT rate on food, plants, and printed products (CHF 2.2 billion), VAT exemptions for real estate transactions and rentals (CHF 2.0 billion), and VAT exemptions for social and health services (CHF 1.9 billion).

Beyond transparency concerns, the absence of robust information undermines the evaluation of TE effectiveness. Switzerland lags significantly behind international standards in this area. There is currently no formal TE evaluation framework providing guidance on ex-ante assessments, ex post evaluations, governance arrangements, or data-sharing procedures. As a result, policymakers often lack the evidence necessary to determine whether TEs represent value for money and achieve their intended objectives; or are ineffective, too costly or generate unintended distributional and economic effects. The combination of weak reporting practices and limited access to administrative tax data has contributed to a striking lack of official ex-post evaluations.

The situation is somewhat more encouraging regarding ex ante assessments. Federal institutions regularly prepare ad hoc analyses in response to parliamentary requests and legislative initiatives. These assessments frequently provide valuable information on the expected fiscal and economic effects of proposed TE reforms and play an important role in informing political debate.

TEs remain high-up in the political debate and reform agendas. Recent years have seen numerous legislative initiatives involving reduced VAT rates, PIT deductions, inheritance and gift tax exemptions, and CIT incentives. Examples include the extension of the lower VAT rate for accommodation services until 2035 (just voted down by the National Council and now with the Council of States), repeated debates on the deductibility of childcare expenses and Pillar 3a contributions, and discussions surrounding cantonal inheritance and gift tax exemptions. In the CIT field, the introduction of patent boxes and research and development (R&D) super-deductions at the cantonal level illustrates the dynamics of TE policy-making involving different tiers of government as this has been triggered by the Federal Act on Tax Reform and AHV Financing (TRAF).



Switzerland at a glance (2025)



Population

9.1

(in million)

GDP

CHF 868

\$ 1044
(in billion)

GDP/capita

CHF 96.1

\$ 115.6
(in thousands)

31.7%

(of GDP)

General government
revenue

31.2%

(of GDP)

General government
expenditure

39.4%

(of GDP)

General government
debt

TAX STRUCTURE

In Switzerland, the Confederation, the 26 cantons, and the 2,110 communes levy taxes. The Swiss Constitution divides taxing powers between the Confederation and the cantons to prevent overlapping taxation and excessive burdens on taxpayers. The Confederation may levy only those taxes explicitly authorized by the Constitution, whereas the cantons retain taxing autonomy except where taxing powers are reserved for the Confederation or explicitly restricted by the Constitution.

Net revenue from federal taxes, 2025

Tax type	Billion CHF	% Total
Direct federal taxes	32.1	42%
Value added tax	27.6	36%
Other consumption taxes	8.0	11%
Withholding tax	6.1	8%
Stamp duties	2.6	3%
Total	76.4	

Source: FFA (2026), IMF (2026), and Schweizerische Eidgenossenschaft (2025)



Tax expenditures key figures (2019)

Irregular

reporting with last report in

2021

57

Reported provisions and aggregates, of which 31 individual estimates

CHF 24.4

\$ 24.6

Total revenue forgone (in billion)

3.4%

Total TEs as % of GDP

34.2%

Total TEs as % federal tax revenue

Source: Redonda et al. (2025a).

Switzerland's tax expenditure (TE) reporting has remained highly irregular and fragmented over time, with only a handful of federal studies conducted since 1997 and major differences in scope and classification across reports. Early studies identified relatively small sets of TEs, while the 2011 Federal Tax Administration (FTA) study, which is the closest to a comprehensive TE report, significantly expanded coverage and estimated substantially larger revenue losses (Moes, 2011). However, even the 2011 study relied heavily on approximations, mixed reference years, limited underlying data, and did not cover all taxes. The latest federal estimates, published in 2021, mix detailed data (at the individual TE provisions level) and aggregated estimates, and they largely reuse and update earlier calculations rather than deriving new estimates from comprehensive administrative data (SECO, 2021). Moreover, as in previous studies – and with the exception of data on TES related to regional policy – corporate income TEs remain unquantified and hence, particularly unscrutinized.

Given Switzerland's highly decentralized fiscal system, cantonal TE policy-making has significant implications for public finances. Studies in Zug and Zürich suggest that the overall fiscal cost of TEs across all levels of government is substantially higher than existing federal estimates alone (Peters (2011) and Kanton Zürich (2025)). The absence of subnational data adds to the opacity at the federal level and hence, to the fact that the true fiscal cost of TEs in Switzerland remains unknown.



© Image by Sofia Berg

Key governance and institutional features

The main types of TEs in Switzerland include reduced rates, full or partial tax exemptions, deductions, as well as tax credits. A key institutional weakness in Switzerland is the absence of a dedicated and detailed legal requirement for annual reporting of TEs, a gap compounded by the lack of data exchange from the cantons to the federal level. While new TEs are generally subject to a cost assessment as part of the legislative process, no monitoring framework exists for reviewing the existing ones.

What are tax expenditures?

A TE is a tax measure that provides preferential treatment without a systemic tax justification, i.e. that departs from a defined tax norm also called the standard or benchmark tax system (BTS). TEs generate a pecuniary advantage for the beneficiary at the expense of the public budget and are implemented to pursue specific goals such as attracting investment, boosting research and development (R&D) or supporting lower-income households.

Even if TEs and direct subsidies are used by governments to pursue similar objectives and their impact on public finances can be equivalent, both policy instruments should not be confused. TEs represent a waiver of tax revenue (i.e., revenue forgone) by the state and do not constitute a direct expenditure from the public budget. Direct subsidies instead encompass financial transfers or pecuniary advantages drawn from public

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

funds. As a result, TEs do not appear in the public accounts as cash transfers to third parties but are instead recorded as revenue forgone or, in many cases, not recorded at all.¹

In Switzerland, Art. 7(g) of the Subsidies Act (SubA) stipulates that, as a matter of principle, financial support through TEs (*steuerliche Vergünstigungen*) should be avoided. In its dispatch on the Act, the Federal Council (i.e. the highest executive authority in the country) highlighted significant drawbacks of the use of TEs:

- They undermine the constitutional principle of taxation according to the ability-to-pay principle and, by extension, the principle of tax fairness, if they are used to achieve non-fiscal objectives.
- They limit the authority's and Parliament's control over the activity to be promoted.
- Often, it is not possible to assess their financial implications. They therefore escape scrutiny and, consequently, any amendments or repeals, and risk, without anyone noticing, turning over the years into a veritable scattering of undesirable subsidies.²

As discussed by Moes (2011), the failure to track TEs in the federal accounts is contrary to the principles of transparency and completeness. Moreover, any deviation from this principle results in an underestimation of the state's footprint. TEs are therefore sometimes considered hidden subsidies that largely escape parliamentary budgetary scrutiny.

Main types of tax expenditure

The main types of TE provisions in Switzerland are as follows:

- **Reduced rates:** Legislation may, for instance, provide for a reduced corporate income tax (CIT) rate for certain entities – in Switzerland e.g., associations benefit from a reduced CIT rate of 4.25 percent at the federal level, compared to the standard 8.5 percent. Reduced VAT rates are applied to certain goods and services – for example, hotels charge a lower VAT rate of 3.8 percent, compared to the standard rate of 8.1 percent. Likewise, takeaway and delivery food and non-alcoholic drinks (i.e., goods meant to be consumed off premises) are taxed at a reduced rate of 2.6 percent.
- **Exemptions and allowances:** Legislation may establish thresholds below which income or assets are exempt from taxation. For instance, the general VAT registration threshold in Switzerland is CHF 100,000 in annual turnover. Similarly, cantonal wealth tax systems often contain thresholds below which the wealth of an individual is not taxed. For instance, in the canton of St. Gallen the first CHF 75,000 are exempt from wealth taxation (Art. 64[1](a) TaxA-SG). Moreover, certain legal entities may be fully or partially exempted from tax liability, typically where specific justifying grounds exist. Tax exempt non-profit organizations, for instance, are fully exempt from corporate income and capital taxes. Certain categories of income and assets are likewise fully or partially exempt from taxation. For example, whereas capital gains realized upon selling non-movable assets (i.e., real estate) are subject to a cantonal capital gains taxes, private capital gains on movable assets (e.g., shares) are normally tax-exempt throughout Switzerland as long as an individual does not qualify as being a professional securities dealer.

¹ According to the latest version of the [Global Tax Expenditures Database \(GTED\)](#), 102 out of 218 jurisdictions worldwide are non-reporting, i.e. they have never issued an official and publicly available TE report (Redonda et al., 2025a).

² Message on the Federal Act on Financial Aids and Compensation Payments of 15 December 1986, BBl 1987 I 369, p. 392.

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

- **Deductions:** Tax deductions are one of the main TEs used in income taxation. Some deductions exist both at the federal and cantonal levels, some are limited to the cantonal level. Third-party childcare costs (*Drittbetreuungskosten*) and pension contributions (*2. Säule* and *Säule 3a*) are examples of tax deductions granted through personal income tax (PIT). Several innovation-oriented deductions exist at the cantonal level, such as the patent box, under which net profits attributable to patents and comparable rights benefit from a tax reduction. R&D expenditure may also be deducted beyond actual costs, allowing companies to deduct up to 150 percent of qualifying R&D expenses (the so-called super deduction).
- **Tax credits:** Tax credits consist of a direct off-set against the tax due, and play a moderate role in Swiss tax law. For instance, for each child the federal income tax due is reduced by CHF 263 (Art. 36[2bis] FDTA).
- **Notification procedure *in lieu of* tax payment (*Meldeverfahren statt Steuerentrichtung*):** A particular form of TE is the replacement of a withholding tax duty with a notification obligation. For instance, within a corporate group, a withholding tax for dividend payments from a subsidiary to its parent company may be replaced by a mere notification to the Federal Tax Administration (FTA) when the parent company would in any event be entitled to a full refund.

Tax expenditures and fiscal federalism

A distinctive feature of the Swiss tax system lies in its high degree of federalism. Unless the constitution contains an explicit clause granting competence to the federal government, the cantons – and to some extent the municipalities – are competent to legislate on tax matters.

TE decision-making in Switzerland is therefore highly diverse, in particular when it comes to income taxes. Some federal TEs apply exclusively to the direct federal tax (*Direkte Bundessteuer*) and do not need to be mirrored by the cantons. This is the case, for example, for the federal child deduction from taxable income which the cantons are not required to offer. Nonetheless, all of them do provide deductions for children – albeit at very different levels across cantons. In other cases, such as the federal deduction for third-party childcare costs, the Federal Tax Harmonization Act (FTHA) obliges the cantons to offer a deduction, but leaves it to them to set the maximum amount. Because cantons are required to comply with the harmonized framework, such provisions affect cantonal tax bases and revenues. As discussed below, this was also the case when the Confederation abolished the preferential cantonal tax regimes and introduced a harmonized framework allowing cantons to implement patent boxes and R&D super-deductions.

Estimation, reporting and evaluation of tax expenditures

A central challenge in the governance of TEs is the need to assess their fiscal cost — both *ex ante*, before their introduction, and *ex post*, through regular monitoring of the ongoing costs. Switzerland presents a particular institutional set-up in this area as well.

First, while Art. 5 SubA requires the federal government to report on TEs every six years as an integral part of its reporting on subsidies, there is no dedicated federal statute mandating a detailed annual estimation of TE costs. The Federal Council's 1986 dispatch on the SubA introduced the principle that TEs constitute a subsidy as they provide financial advantages through forgone public revenue. The Federal Council argued that such measures should be subject to the same transparency and review requirements as conventional subsidies, highlighting the risk that TEs remain less visible and less scrutinized than budgetary spending. The dispatch further expressed a

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

preference for direct subsidies over TEs on grounds of transparency and fiscal control. This position, which has been reflected in the SubA, has also been supported by the Swiss Federal Audit Office (SFAO), which stated that while reporting must be carried out at least every six years, nothing precludes these assessments to be issued at shorter intervals (SFAO, 2005). Yet, unlike other jurisdictions across the world that mandate periodic TE reports as part of the budget process, Switzerland lacks what is now established as good practice: a dedicated legal requirement for an official and detailed annual TE report.

Second, since the cantons are sovereign with respect to the taxes not assigned to the Confederation, they also have the competence to conduct their own TE assessments. In practice, however, only very few cantons have done so (see the Revenue Forgone section further down). The overwhelming majority of cantons have never reported on TEs, and no canton does so on a periodic basis.

Third, and perhaps most structurally significant, the problem is compounded for federal income taxes as they are filed with the cantons which, in general, do not share the detailed tax data with the federal government. Estimating the cost of federal TEs related to income taxes thus faces an additional hurdle.

Taken together, these deficits explain, up to a large extent, why Switzerland faces significant institutional and data gaps for sound TE analysis that is critical for evidence-based policymaking in the field.

In that context, a dispute arose in 2024 in the National Council (one of the two chambers of the Federal Assembly) on a planned amendment of the Federal Statistics Ordinance requiring the cantons to share tax data with the federal government. Several lawmakers opposed the measure. Some voiced concern against the transmission of non-anonymized data from the cantons to the federal level.³ Some also took the position that a requirement for cantons to transmit this data needs to be grounded in an amendment of the Federal Statistics Act, not just the Ordinance.⁴ The Federal Council is reported to work on a legislative proposal to fulfil this request.

Following this development, a parliamentary postulate (*Postulat*) tasked the federal government to draft a report quantifying TEs at the federal level that the FTA is now working on.⁵ Besides a few specific and partial estimations, including the publication of partial revenue forgone estimates in the Federal Council's "State Footprint" report issued by the State Secretariat for Economic Affairs (SECO) in 2021; the report by Moes (2011) remains the latest official TE report issued by the Swiss Government (further details are provided in the next section). Hence, an updated official TE report is critical.⁶

Introducing and reforming tax expenditures

Under the constitutional principle of legality in taxation, every TE requires a formal statutory basis in legislation enacted by Parliament (see Art. 127[1] FC).

³ <https://www.parlament.ch/fr/ratsbetrieb/suche-curia-vista/geschaeft?AffairId=20243507>, accessed on June 11, 2026.

⁴ <https://www.parlament.ch/de/ratsbetrieb/suche-curia-vista/geschaeft?AffairId=20253025>, accessed on June 11, 2026.

⁵ <https://www.parlament.ch/en/ratsbetrieb/suche-curia-vista/geschaeft?AffairId=20253531>, accessed on June 11, 2026.

⁶ The latest published estimates of Swiss federal TEs relate broadly to 2019 and report approximately CHF 24.4 billion in revenue forgone in the Federal Council's 2021 "State Footprint" report (SECO, 2021), which was triggered as a response to a postulate from Parliament. However, as discussed throughout this report, these figures do not stem from a new comprehensive estimation exercise based on updated administrative data, but rather replicate previous estimates published in Moes (2011).

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

In practice, TEs are introduced through ordinary legislative procedure in federal acts, with the initiative lying either with the Federal Council or with Parliament. A consultation procedure (*Vernehmlassungsverfahren*) is then conducted, in which cantons, political parties and interested groups are invited to submit their views. This step is especially important for PIT- and CIT-related TEs, as the cantons and municipalities may be directly affected.

The Federal Council subsequently issues a dispatch (*Botschaft*) to Parliament, and the National Council and the Council of States (the other chamber of the Swiss Parliament) deliberate on the proposal in separate debates. The dispatch contains an assessment of the specific legislative proposal, and very often includes a calculation of the expected impact on revenues and expenditures. Therefore, if a new TE is proposed, an ex-ante assessment of the fiscal cost of such provision might exist. The situation around ex-post evaluations is significantly bleaker. There is no systematic monitoring allowing the legislator to review all existing TEs on a regular basis, and ex-post evaluations based on cost-benefit analysis or other methods are strikingly rare (further details are provided in the section on TE evaluation).



© Image by Pepa Echanove

Tax expenditure reporting

Switzerland exhibits a low level of TE transparency despite its advanced fiscal system. While some progress has been made – most notably through the creation of an official TE website – Swiss TE reporting remains fragmented, irregular, and incomplete.

Switzerland performs poorly on TE transparency despite being a high-income country with a highly developed fiscal system. In the latest version of the [Global Tax Expenditures Transparency Index \(GTETI\)](#), Switzerland scores 37.0 out of 100 and ranks in the bottom quartile globally (#89 out of 116 assessed jurisdictions), reflecting major weaknesses in TE reporting practices. The GTETI is the first comparative assessment of TE reporting, covering countries worldwide and providing a systematic framework to rank countries according to the regularity, quality, and scope of their TE reports. A low GTETI score should not be interpreted as a judgement about the size of revenue forgone stemming from the use of TEs; nor as an assessment of the Swiss TE regime in terms of the cost-effectiveness or overall quality of the existing TE policies. It rather reflects the limited transparency, regularity and scope of Switzerland's TE reporting practices.

Switzerland has made some progress e.g., by publishing an official TE website that includes useful methodological elements such as a very detailed description of the BTS. Still important gaps remain in reporting periodicity, coverage, budget-cycle integration, data-source disclosure, reporting of provision-level information as well as evaluation of TEs.⁷

A key issue is the absence of a regular and institutionalized TE reporting framework. Over the past three decades, Switzerland has conducted only five federal TE-related exercises – FFA (1997), SFAO (2005), FFA (2008), Moes (2011), and SECO (2021) –, which differed substantially in scope, quality and reporting approach. They range from broader subsidy and state-aid reviews containing TE sections (1997, 2008, and 2021), to an audit report on TEs (2005), and one standalone TE report, which is the only document aligned with international common practice in the field (2011). The most recent estimates published in SECO (2021) largely reuse or update older calculations rather than deriving new estimates from comprehensive administrative data or other relevant sources. Even the 2011 study acknowledges a striking degree of uncertainty when it comes to the accuracy of the revenue forgone figures, e.g. *“The lack of available data has led to a large number of revenue forgone estimates that cannot be computed. Furthermore, the estimated figures are based on data from a wide variety of sources and different base years”* (Moes, 2011, p. 11, own translation). As a result, the available estimates are partial, not up to date nor fully comparable between each other, which significantly hinders the usefulness of the existing data for policy-making.⁸

Switzerland also scores weakly on GTETI dimensions dealing with descriptive TE data and TE assessments. Existing reporting exercises often lack systematic information on policy objectives, legal references, beneficiaries, distributional effects, sunset clauses, or effectiveness evaluations.

⁷ The official website on TEs can be accessed here: <https://www.estv.admin.ch/de/steuerverguenstigungen> (accessed on June 11, 2026).

⁸ The lack of data and the fact that the available numbers are largely based on Moes (2011) is also highlighted by Mosler et al. (2026). The authors argue that the figures from that study are too dated to underpin their own quantifications and therefore group the TEs into three categories – low, medium, and high revenue forgone – to convey a sense of magnitude.

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

The 2011 report was announced as a milestone for the development of the Confederation's TE reporting practices. According to (Moes, 2011 p. 25), enhancing TE reporting would “*allow the FTA*

- 1. to highlight upward or downward trends in tax expenditures granted by the Confederation,*
- 2. to gradually fill gaps in the estimation of revenue forgone, and*
- 3. to make available to all interested parties a regularly updated list of TEs granted by the Confederation.”*

It is fair to say that, so far, the three objectives listed by Moes (2011) have not been achieved. The latest estimation file on that above-mentioned TE website dates back to 30 October 2023 and, strikingly, the revenue forgone estimates in it are exactly the same as the ones published by the 2011 report (see the section on Revenue Forgone for further details).

The situation is equally worrisome at the subnational level. Some cantons calculate the estimated revenue effects of new TEs. However, as on the federal level, such estimates are done on an ex-ante basis. Comprehensive and regular reviews, as well as monitoring or evaluation processes do not exist in any Swiss canton. This is an interesting point as, unlike the FTA, which faces technical challenges to access tax administrative data, cantonal tax administrations have access to the data that is compiled from taxpayers' tax returns on a regular basis. Thus, from a data access perspective cantonal tax authorities should be able to conduct regular estimation exercises and yet, the vast majority of cantons have never published any official estimates of the revenue impact of TEs.

Two one-off reporting exercises are worth mentioning. A detailed 2011 study by the FTA estimated that PIT-related TEs in the Canton of Zug reduced cantonal tax revenue by around CHF 154 million in 2007, i.e. a reduction of roughly 66 percent relative to a no-deduction scenario (Peters, 2011). More recently, the Canton of Zürich published a review of PIT-related TEs based on 2020 tax data (Kanton Zürich, 2025). The report was triggered by a postulate of a member of the cantonal Parliament, and identified substantial cantonal and municipal revenue losses, totalling roughly more than CHF 4.8 billion.⁹

One further point that illustrates the partial coverage of existing revenue forgone estimates regards CIT. Across the various federal estimation exercises as well as the two existing ones at the cantonal level, revenue forgone estimates for CIT provisions remain largely unavailable.

⁹ <https://www.kantonsrat.zh.ch/geschaefte/geschaeft/?id=323f6c41338642229f323bce14ada68a>, accessed on June 11 2026.

37/100

The overall GTETI score



Global Tax Expenditures Transparency Index (GTETI)

The quality and scope of TE reporting in Switzerland is reflected in the GTETI, where it ranks **89 out of 116** assessed countries and jurisdictions.



7/20

Dimension 1 – Public Availability

This dimension captures the extent to which TE reports are made available to the public. It considers the regularity of reporting, the timeliness of data, the online accessibility, and the reader-friendliness of the document.



10/20

Dimension 2 – Institutional Framework

This dimension evaluates how well the institutional framework promotes transparency and accountability in TE policy-making. It assesses the legal basis for TE reporting, the requirement to submit reports to parliament, the assignment of the responsibility to report to a specific public authority, and the consideration of TEs in the country's budget cycle and medium-term fiscal strategy (or similar).



8.9/20

Dimension 3 – Methodology and Scope

This dimension analyses the extent to which TE reports cover all TEs available at the national level, the level of specification of the reference benchmark system against which TEs are assessed, and the method(s) used to calculate revenue forgone.



6.3/20

Dimension 4 – Descriptive TE Data

This dimension assesses the information available in the report to identify and explain the nature of different TEs. It evaluates the extent to which the report specifies the policy objective(s) of TEs. Also, it analyses the availability of TE data regarding the type of TE (tax credit, deduction etc.), beneficiaries, time frames, and the legal basis under which TEs are granted.



4.8/20

Dimension 5 – TE Assessments

This dimension analyses the extent to which revenue forgone estimates are provided in the report, including levels of (dis)aggregation and the time span of revenue forgone estimates (previous years and forecasts). Further, it assesses the availability of information on TE evaluations, considering both the existence of ex-ante and ex-post evaluation frameworks, and the scope of publicly available evaluations.

Benchmark

TE provisions are defined as deviations from the BTS. This includes deviations from the standard tax base, deviations from the standard tax rate, or changes in the tax period benefiting the taxpayer. Nevertheless, the definition of what should be attributed to the BTS and what should be marked as a TE provision is not always unambiguous. Switzerland's approach to identifying TEs is distinctive because it relies on theoretical benchmarks rather than existing legislation.

The identification of TEs depends fundamentally on the definition of the BTS against which individual tax provisions are assessed. Ultimately, the choice of the BTS determines whether a tax measure is classified as part of the BTS, as a structural element of the tax system, or as a TE provision.

The Swiss approach to defining the BTS differs from approaches that rely primarily on existing legislation. Instead, it is based on theoretically grounded benchmark definitions. The FTA's classification of TEs, prepared in connection with the 2011 report on TEs evaluates deviations from the BTS derived from two different benchmarks rather than from current law (Moes, 2011).

For direct taxes, Switzerland recognizes that two alternative benchmark concepts could be used: a benchmark based on income and a benchmark based on consumption. Because the federal direct tax contains features associated with both approaches, the Swiss TE framework classifies many provisions against both benchmarks, which is quite unique compared to other countries' approaches. For indirect taxes and other federal taxes, the BTS is defined according to the underlying objective and structure in each case.

Two benchmark concepts: income and consumption

The theoretical foundation for the two benchmark concepts is the relationship between income, consumption, and changes in net wealth:

$$Income = Consumption + \Delta Net Wealth$$

Under an income benchmark, all increases in net wealth are part of the tax base. Savings and returns to savings are therefore taxable when they accrue. Deductions or exemptions that exclude savings or investment income from taxation are generally treated as TEs.

Under a consumption benchmark, savings are excluded from the tax base and taxation occurs when income is ultimately used for consumption. Returns to savings are generally not taxed while they remain invested. As noted in Moes (2011), a consumption tax can be viewed as an income tax that allows deductions for savings and the returns generated by those savings.

The choice between these two benchmarks is particularly important for the PIT and CIT systems because many provisions related to pensions, savings, and capital income are classified differently depending on which benchmark is applied. In contrast, for VAT only the consumption benchmark is relevant because VAT is inherently a tax on consumption. For other federal taxes, specific benchmarks are defined according to the objective and economic structure of each tax.

Benchmark tax system by tax type¹⁰

Personal income tax

The benchmark for PIT depends on whether an income or consumption benchmark is adopted. Under the income benchmark, all income and increases in net wealth are generally taxable. The benchmark therefore includes the taxation of labour income, capital income, and other forms of economic gains. Pension contributions represent savings and are generally not deductible under an income benchmark.

Under the consumption benchmark, savings are excluded from the tax base. Contributions to pension schemes and other forms of savings are therefore generally deductible, while pension benefits are taxable when savings are withdrawn and consumed. Some examples:

- **Deduction of contributions to pension savings in Pillar 3a** “*Premiums, contributions and payments made to acquire contractual entitlements under recognized private pension schemes are deductible from income.*” (Art. 33 [1](e) FDTA). Under the income benchmark, pension contributions should be subject to income tax, hence deductions for contributions to the Pillar 3a pension schemes constitute a TE. Under the consumption benchmark, however, the deduction is consistent with the BTS definition and hence, does not constitute a TE.
- **Deduction of commuting expenses** “*Necessary expenses for travel between home and work are deductible as business expenses, up to a maximum of CHF 3,300.*” (Art. 26 [1](a) FDTA). The ordinance on work-related expenses further clarifies that the costs for commuting with a private vehicle can only be claimed, if there is no public transport available or the use of public transport cannot be reasonably expected. The Swiss classification framework considers commuting expenses to be largely a form of private consumption rather than a necessary cost to earning income. As a result, the deduction for commuting expenses is treated as a TE under both benchmarks.
- **Deduction for third-party childcare** “*An amount of up to CHF 25,800 per child for whom childcare is provided by a third party may be deducted from income if the child is under 14 years of age.*” (Art. 33[3] FDTA). As the deduction is likely to be claimed primarily by families in which both parents are in paid employment, third-party childcare expenses are considered a necessary cost to earning income rather than consumption. Therefore, the Swiss classification framework does not consider this tax provision a TE under either of the two reference systems. Interestingly, the position on the **child tax deduction** is the opposite, i.e. the decision of having children is considered a consumption rather than an investment choice and no deduction should exist. Hence, the provision is classified as a TE.¹¹

¹⁰ This Section describes the Swiss benchmarking framework and hence, builds considerably on Moes (2011) and the “Justifications of TEs classification” (Begründungen Klassierung Steuervergünstigungen) document published on the FTA TEs website – see here: <https://www.estv.admin.ch/fr/allegements-fiscaux>, accessed on June 11, 2026.

¹¹ An amount of CHF 6,800 may be deducted from income for each minor child or child in apprenticeship for whom the taxpayer is responsible (Art. 35 [1](a) FDTA).

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

Corporate income tax

The CIT benchmark is based on the taxation of net business income, and legitimate business expenses incurred in generating taxable income are generally deductible.

Most provisions covered by Moes (2011) under “Federal Direct Taxes” are PIT-related TEs. The report – as well as the 2023 documents on TE classification and estimation available on the FTA’s TE website – only includes 8 CIT-related TE provisions (compared to 45 PIT-related TE provisions).

The unbalanced degree of detail is, up to a large extent, explained by the fact that several CIT-related TEs fall into cantonal competence. This notwithstanding, the lack of detailed data on CIT-related TEs is worrisome. None of the 8 CIT-related provisions listed in Moes (2011) include revenue forgone estimates.

The **tax exemption for licensed public transport companies** is one of the few CIT provisions classified as a TE: The exemption applies to “*transport and infrastructure undertakings holding a concession from the Confederation that receive compensation for this activity or that, by virtue of their concession, are required to maintain year-round operations of national importance.*” (Art. 56(d) FDTA). This provision runs counter to the standard tax treatment and hence, constitutes a TE.

Value added tax

The benchmark for VAT is defined as a broad-based tax on domestic consumption. As in most countries worldwide, exports are excluded from the tax base because with exports consumption occurs (and is taxed) abroad. This is consistent with the destination principle and hence, not considered a TE.

The BTS is therefore aimed at taxing final domestic consumption while preserving neutrality across goods and services. Deviations from this benchmark include:

- **VAT exclusion for small enterprises below the registration threshold** “*Businesses with an annual turnover below CHF 100,000 Swiss francs are exempt from tax.*” (Art. 10[2](a) VAT Act). The exclusion of businesses below the CHF 100,000 turnover threshold is classified as a TE because it departs from a BTS based on broad-based consumption taxation.
- **VAT exemptions for farming, forestry and horticultural products, livestock and milk** “*Sales by farmers, foresters and horticulturists of agricultural products grown on their own holdings; sales of livestock by livestock dealers; and sales of milk to milk processors by milk collection centres are exempted from VAT.*” (Art. 21[2](26) of the VAT Act). This measure is classified as a TE, provided that transactions are sales to final consumers.
- **3.8 percent lower VAT rate for accommodation services** “*The tax rate on accommodation services is set at 3.8 percent.*” (Art. 25[4] VAT Act). This tax measure is classified as a TE.

Stamp duties

The benchmark for stamp duties is based on the taxation of the relevant financial transactions, insurance premiums, or securities transactions falling within the scope of the tax. Exemptions and reduced rates are evaluated against this general principle. For example, there is a **reduced stamp duty rate on life insurance premiums** (Art. 24[1] StDA), which is classified as a TE.

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

Excise taxes

Excise taxes in Switzerland are generally benchmarked according to their policy objective. For many excises, the BTS reflects the taxation of consumption of the relevant product, often with an explicit behavioural or health objective.

Tobacco tax

The benchmark for the tobacco tax aims to reduce tobacco consumption through high taxation. Hence, the BTS consists of broad taxation of tobacco consumption. The **exemption for custom-free tobacco products** (see 5(a) TTA) is therefore considered a TE.

Alcoholic beverages tax

In most countries, the benchmark for alcoholic beverages is set so that the amount of the excise duty is proportional to the alcohol content. However, in Switzerland this is not the case. Rather, the various taxes on beverages are treated separately, each based on its own benchmark. For instance, for beer taxation, the BTS is aimed at reducing beer consumption. The **exemption for home-made beer** when exclusively used for own consumption (see Art. 13[2](a) BTA) is thus considered a TE.

Environmental taxes

Environmental taxes are benchmarked according to their environmental objective. The benchmark is generally defined by the taxation of environmentally harmful consumption or emissions in order to influence behaviour and internalize environmental costs.

As mentioned before, this approach is consistent with the treatment applied in the classification of excise taxes, where the benchmark reflects the policy objective underlying the tax rather than a comprehensive income or consumption tax base. Preferential tax treatments are therefore generally treated as TEs when they weaken the incentive effect pursued by the tax.

Mineral oil tax

Whereas, historically, this tax was used to incentivize coal consumption, today the tax aims to reduce pollutant emissions. Hence, the BTS is defined so that the consumption of mineral oils is reduced. In deviation from that norm, for example, **fuels for aircrafts are exempted** from the fuel tax: “*The Federal Council may grant a partial or total exemption from the mineral oil tax for fuel used to refuel aircraft (i) in scheduled air services; and (ii) prior to a direct flight to a destination abroad.*” (Art. 17[2] MOTA). Both exemptions are considered TEs.

CO₂ tax

The Swiss carbon tax aims to incentivize the reduction of CO₂ emissions. **As often the case with CO₂ taxes, some taxpayers are exempted.** In Switzerland, “*Installation operators shall be refunded the CO₂ levy on application if they undertake to the Confederation to reduce greenhouse gas emissions by a specific amount by 2040 (reduction obligation).*” (Art. 31 CO₂ Act).¹² This provision is considered a TE.

¹² The operator of the installation has to conclude a target agreement in accordance with Article 41 or 46 paragraph 2 of the Energy Act of 30 September 2016 (EnA), which specify the greenhouse gas emissions and measures to reduce these emissions.

Custom duties

According to the Swiss classification framework, import duties constitute an over-taxation (a negative TE) and, do not correspond to any benchmark as it would not be in line with the spirit of the World Trade Organization (WTO) to consider import duties as a BTS. Hence, exemptions and other preferential treatments in the context of custom import duties are not classified as TEs. **For instance, works of art and exhibition items accessible to the public are exempted from customs import duties:** “Art works for educational purposes and collection items accessible to the public are exempted from custom import duties.” (Art. 8[2](g) CA in conjunction with Art. 20 CO). Thus, and unlike most of the countries worldwide, this measure is not classified as a TE since, according to the Swiss BTS definition, there is no benchmark to which it deviates from.



© Image by Sofia Berg

Revenue forgone

TEs are widely used in Switzerland and were last estimated to result in at least CHF 24.4 billion in annual federal revenue forgone. This figure should be interpreted as a lower bound estimate due to significant methodological limitations and gaps in the underlying data. Over the past three decades, several federal studies have attempted to identify and quantify TEs, progressively expanding the number of provisions considered – from 46 in the 1997 Subsidy Report to 116 TEs in the comprehensive 2011 FTA study (Moes, 2011) – but estimates remain fragmented, inconsistent, and often based on outdated and limited data sources.

As discussed by Moes (2011), reducing the use of TEs would not only be a good step in order to comply with the Subsidies Act, but also from a tax policy design perspective. It would help to simplify the tax system as TE measures tend to make it more difficult to achieve uniform and fair taxation. Moreover, by narrowing the tax base and reducing tax liabilities for some taxpayers, TEs tend to increase the liabilities on taxpayers that do not benefit from these provisions. Yet, as many countries worldwide, the Swiss Government uses TEs widely. Total revenue forgone in 2019 was estimated at CHF 24.4 billion (SECO, 2021).

This said, that figure has to be taken with a grain of salt and should be considered a lower-bound estimate. Providing a comprehensive and robust estimate of revenue forgone from TEs in Switzerland is currently not possible. Estimates for the federal level are derived from different federal estimations that vary substantially in scope, coverage, quality and methodology. The 1997 Subsidy Report was the first federal attempt to identify TEs as a channel for subsidies. The report identified 46 TEs but noted that quantified revenue forgone estimates were available only for some provisions where sufficient statistical information existed, and admitted that the list was not exhaustive (FFA, 1997). Moreover, the quantitative annex (Annex 3) containing these estimates was not published together with the report and instead had to be requested separately from the Federal Finance Administration.

The first dedicated federal review focusing specifically on TEs was a 2005 audit by the SFAO. The audit criticized the limited transparency of the 1997 exercise and showed that only 31 of the 46 identified TE provisions had quantified estimates, amounting to at least CHF 2.5 billion annually, based on different reference years between 1991 and 1997. The audit also substantially broadened the scope of potential TEs, identifying 121 measures compared to the 46 included in the 1997 report, and emphasized that the earlier estimates likely understated the true scale of revenue forgone from TEs (SFAO, 2005).

The 2008 Subsidy Report, which formed part of the Federal Council's formal subsidy review process and explicitly followed the earlier reviews, has identified 92 TE measures compared to 46 in the 1997 report (FFA, 2008). The report attributed the increase both to newly introduced TEs and to a more rigorous application of the TE concept, while largely maintaining the same classification criteria as the 1997 exercise for reasons of continuity and comparability (FFA, 2008). The 92 measures identified in 2008 were narrower in scope than the broader set of 121 potential measures discussed in the 2005 audit. Also, the report did not produce new comprehensive revenue forgone estimates and instead continued to rely on the earlier 1997 estimate of at least CHF 2.5 billion annually, noting that the true amount was likely higher due to the larger number of measures and economic growth (FFA, 2008).

The most substantial Swiss TE reporting exercise was conducted by the FTA in 2011 (Moes, 2011). The study aimed to align Swiss reporting more closely with OECD practice and identified 187 potentially relevant tax

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

provisions across the federal tax system, of which 116 were classified as TEs. The report produced substantially larger revenue forgone estimates than earlier exercises, including estimated annual revenue losses of approximately CHF 8.1 billion for VAT alone, CHF 8.5 billion for PIT, and CHF 4.4 billion for stamp duties. The report also repeatedly stressed that many figures represented only approximate orders of magnitude, relied on different reference years (mainly between 2000 and 2012), and were affected by important methodological and data limitations. Besides these overall limitations revenue forgone from CIT was not covered at all. Hence, even this study, which remains up to today the main source of official information, was far from revealing the true cost of federal TEs in Switzerland.

The latest estimates of Swiss federal TEs were published for 2019 in the Federal Council’s 2021 “State Footprint” report and amounted to CHF 24.4 billion in revenue forgone (SECO, 2021). However, these figures do not stem from a new estimation based on updated administrative data, but largely on an extrapolation of past data. Furthermore, while the report was originally accompanied by a supporting spreadsheet containing provision-level estimates for TEs related to regional policy as well as selected excise taxes, the vehicle tax, and the national road tax; this file was no longer publicly accessible as of June 2026.¹³

Indeed, according to the FTA the situation remains unchanged in terms of the lack of accuracy of the available data: *“It is impossible to calculate revenue forgone estimates based on raw data from tax returns. This is why the estimates are based on various sources, in particular the FTA report published in 2009, in which the author, Rudi Peters, estimates the revenue forgone in direct federal tax revenue resulting from various TE provisions, using estimates based on tax data from the canton of Bern, extrapolated to the rest of the Confederation and, when possible, transposed to the present”*.¹⁴ The same report mentions that deductions claimed across Switzerland in 2006 are available only in some cases. To calculate the revenue forgone based on these figures though, it is necessary to know the average marginal tax rate of those benefiting from such deductions, which is calculated using data from another report by Rudi Peters (Peters, 2005). The rate applicable to each deduction is then determined by comparing the deductions claimed at the time with the resulting tax reductions.

It is fair to say that the latest report (SECO, 2021) reuses, to a large extent, earlier FTA estimates – in particular from the 2011 study – and, in some cases, updates them using projections. The supporting spreadsheet originally published alongside the report indicates that these estimates include 1 provision related to regional policy, 8 provisions related to the mineral oil tax, 19 provisions related to further excise taxes as well as the vehicle tax and the national road tax, and 3 aggregated TE items (Table 1). This is conceptually narrower and not directly comparable to the 116 TEs identified in the dedicated 2011 exercise (SECO, 2021).

¹³ The Federal Finance Administration (FFA) used to publish aggregated revenue forgone estimates for the main taxes in the State Financial Statements (*Staatsrechnung*) published every year. In the documents included in the 2022 Statement (published in 2023), the FFA acknowledges that *“the estimates are based on previous tax periods and on several methods. Furthermore, they assume that all other factors remain constant.”* (FFA (2023), p. 66). Interestingly, that was the last Statement including TE estimates. All State Financial Statements are available here: <https://www.efv.admin.ch/de/staatsrechnung>, accessed on June 11, 2026.

¹⁴ This quotation is from the “Estimation of revenue forgone from tax expenditures” document published on the FTA TEs website (p. 1). Also see FTA (2009) and Moes (2011).

Table 1. Federal revenue forgone from TEs by tax type, 2019

Type of tax	No. of reported provisions	Billion CHF	Billion USD	% GDP	% Total revenue	% Total expenditures
Direct federal taxes	1	10.1	10.2	1.4	13.7	40.2
VAT	N/A	8.1	8.2	1.1	11.3	33.2
Stamp duties	N/A	4.4	4.4	0.6	6.2	18.0
Mineral oil tax	8	1.7	1.7	0.2	2.4	6.9
Other taxes	19	0.1	0.1	0.1	0.6	1.7
Total	N/A	24.4	24.6	3.4	34.2	100.0

Source: SECO, 2021.

Note: N/A is used where no individual TE provision level data is provided. In these cases, only aggregated revenue forgone estimates are reported.

Given the limited provision-level data in the 2021 report, the 2011 report remains the key source for a more granular analysis. Back then, the largest Swiss TEs were heavily concentrated in retirement savings provisions and reduced VAT rates for certain goods or activities (Table 2). The single largest provision was the PIT deduction for mandatory second-pillar pension contributions, estimated at CHF 3.5 billion annually¹⁵, followed by the reduced VAT rate on food, plants, and printed products (CHF 2.2 billion). Large revenue losses also arose from VAT exemptions for real estate transactions and rentals (CHF 2.0 billion) and for social and health services (CHF 1.9 billion). Several additional major provisions relate to preferential treatment of retirement savings and insurance products, including exemptions linked to second-pillar pension returns and stamp duty exemptions for life and health insurance. Overall, the ten largest reported provisions accounted for approximately CHF 16.1 billion, or around 63.3 percent of total reported federal TE revenue forgone. A key TE for which a provision-level estimate was added with the 2021 report is the aviation exemption from the mineral oil tax estimated at 1.3 billion CHF for 2019.

“ Given the limited provision-level data in the 2021 report, the 2011 report remains the key source for a more granular analysis.

¹⁵ With pension fund contributions being deductible from taxable income and the returns on pension capital not being subject to tax, income from the pension fund after retirement is taxable. The FTA reflected this as a negative TE in its 2011 report.

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

Table 2. Revenue forgone of the 10 largest TE provisions, 2011

TE provision	Billion CHF	Billion USD	% Total revenue forgone
PIT – Retirement provision: deduction of worker and employer contributions to pillar 2 (for workers)	3.5	3.9	13.8
VAT – Reduced rate on food, plants and prints	2.2	2.5	8.6
VAT – Exemption of sale and rental of buildings and rooms	2.0	2.3	7.9
VAT – Exemption of social and health services	1.9	2.2	7.6
Stamp duties – Non-redeemable life insurance	1.5	1.7	5.9
PIT – Retirement provision: exemption of the return on capital in the 2nd pillar	1.5	1.6	5.7
Stamp duties – Health, disability and accident insurance	1.3	1.4	4.9
PIT – Retirement provision: deduction of contributions to pillar 3a	0.8	0.9	3.3
PIT – Other deductions: child deduction	0.7	0.8	2.8
PIT – Income exempt from the tax: capital profits on private wealth	0.7	0.8	2.8
Total	16.1	18.1	63.3

Source: Moes, 2011.

Note: As SECO (2021) provides only limited TE provision level data, this table build on Moes (2011), which is significantly more outdated but does provide disaggregated revenue forgone estimates.

In addition to the lack of data on the federal level, cantonal data is even scarcer. To our knowledge, only two cantons have published revenue forgone estimates for cantonal TEs – Zug in 2011, and Zurich in 2025. Peters (2011) estimated that PIT-related TEs in the Canton of Zug amounted to CHF 154 million in 2007. Kanton Zürich (2025) estimated the revenue forgone from PIT-related TEs at more than CHF 4.8 billion.

On top of the specificities and limitations of the various studies, revenue forgone estimates should always be interpreted cautiously as estimating the fiscal cost of TEs is inherently challenging. First, the approach used to compute such estimates (the so called “revenue forgone method”) calculates the revenue forgone for each TE measure individually and based on the assumption that all other TEs remain unchanged. Second, the method is static and hence, assumes that all other factors, including taxpayers’ behaviour, remain constant. Third, positive and negative TE estimates can offset each other, at least partially.

Evaluation

Although TE evaluation is essential for assessing whether such provisions achieve their intended objectives and provide value for money, Switzerland has no formal TE evaluation framework. Official ex-post cost-benefit analyses are strikingly rare. By contrast, ex-ante assessments are more common within the Swiss policy-making process.

TE evaluation is a key stage within the [TE Policy Cycle](#), as ex-post evaluations are vital to disentangle which provisions are value for money and which ones are redundant, ineffective or simply too costly (von Haldenwang et al., 2025). Yet, in most countries worldwide, TE evaluation is the area where the largest gaps remain to be filled.

Moes (2011) explicitly acknowledges that TEs raise several concerns: tax incentives are frequently not the most effective instrument to attract investment or create employment as they can be highly redundant and trigger windfall gains for beneficiary corporations. Moreover, PIT-related TEs tend to be highly regressive as the progressive nature of the PIT system causes tax benefits to increase with income. Finally, VAT-related TEs have frequently been proven inefficient in achieving socioeconomic objectives. Yet, official TE evaluations such as cost-benefit analyses or other types of impact assessments measuring their effects on the intended objectives as well as their potential side effects, are strikingly rare if not inexistent in Switzerland. Assessments analysing their performance compared to other measures are also rarely conducted.

Moreover, to the best of our knowledge, and unlike other countries such as Ireland (DoF of Ireland, 2025) and South Korea (NABO of the Republic of Korea, 2025); Switzerland does not have a formal TE evaluation framework in place. It is hence not surprising that Switzerland obtains the lowest possible scores both in GTETI indicators 5.4 *TE evaluation framework* and 5.5 *Availability of TE evaluations* (Redonda et al., 2026).

The picture is significantly brighter when it comes to the availability of ex-ante assessments. The Parliament Act requires the Federal Council to submit its bills to Parliament together with a dispatch which needs to include, inter alia, information on “*the consequences for staffing and finances of the bill and its implementation for the federal government, cantons and communes, the methods for meeting the costs and the cost-benefit ratio*” (Art. 141 ParlA). In that context, dispatches have in the past also included ad-hoc reports analysing specific aspects relevant to TE policy proposals. Even if these assessments face similar challenges and data limitations to the ones discussed before; they can provide meaningful information for legislators, policymakers and other stakeholders.

In addition, parliamentarians can request the Federal Council to quantify the financial effects of a proposed or existing measure. The abovementioned postulate requesting an update of the 2011 report on TEs is a case in point.¹⁶

The ex-ante assessments carry significant political weight in the political debate, not the least because they provide an indication of the likely order of magnitude of the costs of a legislative proposal, and hence an essential input for Parliament and, in the case of a referendum, the population to take informed decisions.

The FTA website provides a repository of “*Studies, reports and working papers on fiscal matters*”.¹⁷ On the one hand, this is a useful tool to keep track of different studies conducted by the FTA. On the other hand, its scope

¹⁶ <https://www.parlament.ch/de/ratsbetrieb/suche-curia-vista/geschaefft?AffairId=20253531>, accessed on June 11, 2026.

¹⁷ <https://www.estv.admin.ch/fr/etudes-rapports-documents-de-travail-politique-fiscale>, accessed on June 11 2026.

illustrates the limited scope of evaluations of tax policies in general and TEs in particular. In 2025, the FTA published 6 reports on the repository, including 2 focused on TEs: FTA (2025) analyses the tax deduction for childcare costs under the direct federal tax based on 2021 tax data, Peters (2025) provides an assessment of the deductions of contributions to Pillar 3a.

FTA (2025) estimates that total revenue forgone in 2021 due to the childcare tax deduction amounted to CHF 100 million. Many households claim the deduction for small amounts, often well below the maximum amount of CHF 10,100 francs¹⁸, with around a quarter of the deductions not exceeding CHF 1,600. The analysis also highlights significant regional disparities. For example, average amounts are significantly higher in large urban areas than in peripheral rural areas. In terms of the incidence, dual-income married couples with high incomes are among the groups claiming the highest amounts, and capturing the largest shares of the tax benefit. In concrete, the study shows that the wealthiest 20 percent of taxpayers who claim this benefit account for nearly 60 percent of the revenue forgone.

Peters (2025) shows that, in 2021, employees paid a total of CHF 12.3 billion into Pillar 3a. These contributions, which are deductible from taxable income, resulted in a reduction in direct federal tax amounting to more than CHF 750 million. In total, slightly above 50 percent of working taxpayers benefitted from this deduction. The average amount of contributions deducted stands at CHF 6,681, which is very close to the cap, and for every 100 CHF of contributions paid into pillar 3a, the average revenue forgone is CHF 6.12. Finally, as often the case with PIT-related deductions, the author finds that the tax benefit is concentrated among the highest earners, with the top 15 percent of ‘working’ taxpayers capturing almost 60 percent of the total.

Other studies focus on other tax policies or broader fiscal policies that might include a less focused discussion on TEs. Krapf and Schwarz (2025), for example, quantify the distributional effects of the reform of the taxation on owner-occupied housing. The authors take into account, in particular, Parliament’s decision of 20 December 2024 to abolish the imputed rental value and, in exchange, substantially restrict the available deductions.¹⁹ The authors explicitly discuss the data limitations they faced to conduct the study, which underscores – once again – the challenges that this issue poses not only for revenue forgone estimation but also for TE evaluation.

Finally, it is worth mentioning that, whereas this section focuses on TE evaluations by the government, there is a number of relevant research by universities and other institutes. For instance, Hübeline and Farys (2018) use administrative tax data from the canton of Aargau to assess how several taxes and deductions impact the post-tax income distribution. The authors show that tax deductions drastically reduce the redistributive effect of taxes because lump sum deductions in a progressive tax system lead to greater TEs captured by high income earners. Moreover, the authors argue, high income earners have additional options to claim deductions such as real-estate expenses or voluntary payments to the pension scheme. More recently, Thalmann and Thalmann (2025) provide a detailed discussion of the environmental effects of federal and cantonal TEs. The authors estimate the extent of the additional emissions triggered by these tax measures as well as their fiscal cost. The main TEs identified by the authors are, inter alia, the exemption of international aviation from mineral oil tax and VAT, the

¹⁸ The study was based on tax data from 2021. The maximum was increased from 10,100 CHF to 25,000 CHF in 2023, and raised further to account for inflation. The higher maximum of 25,800 CHF mentioned earlier has been available as of 2025.

¹⁹ See <https://www.parlament.ch/en/ratsbetrieb/suche-curia-vista/geschaefte?AffairId=20170400> and <https://www.parlament.ch/en/ratsbetrieb/suche-curia-vista/geschaefte?AffairId=20220454>, both accessed on June 11, 2026.

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

deductibility of commuting expenses, the exemption (not-in-scope) of light commercial vehicles from the heavy vehicle fee, the preferential income tax treatment of company cars, and the exemption of licensed transport companies from the mineral oil tax. According to the authors' calculations, eliminating these TEs would lower GHG emissions by 2.5 million tonnes per year, and increase federal tax revenue collection by CHF 2.8 billion, as well as cantonal and communal tax revenues by CHF 1.7 billion.

“ According to the authors' calculations, eliminating these TEs would lower GHG emissions by 2.5 million tonnes per year, and increase federal tax revenue collection by CHF 2.8 billion, as well as cantonal and communal tax revenues by CHF 1.7 billion.



© Image by Adobe Stock Photo, by Michael Bollhalder/Wirestock

Political economy and reform

As in other countries, TEs are constantly on the legislative agenda in Switzerland. Most prominently, PIT deductions, but also VAT exemptions and reduced rates. Recent debates have focused on a wide range of TE provisions, including reduced VAT rates for hotels, childcare and child-related tax deductions, Pillar 3a pension deductions, inheritance and gift tax exemptions, and innovation-related corporate tax incentives such as patent boxes and the R&D super-deduction introduced under the 2020 TRAF reform.

In the section *Key Governance and Institutional Features*, we noted pending legislative projects aimed at improving TE reporting and evaluation. Beyond these initiatives, it is not surprising that TEs feature prominently on the legislative agenda at all levels of government. Introducing new TE provisions or expanding existing ones sometimes appears politically less burdensome than increasing transfer payments and thus the overall expenditure budget.

In recent years, numerous initiatives and political proposals involving TEs have been put forward. Most notably, PIT deductions are frequently proposed by different parties to pursue a variety of policy objectives.²⁰ VAT exemptions and reduced VAT rates are likewise subject to recurring political debates. More recently, policy discussions in the CIT field have shifted towards tax credits and other TEs, as the global minimum tax has imposed constraints on lowering effective corporate tax rates below 15 percent.

Recent examples of TE debates provide further illustrations. The special **VAT rate of 3.8 percent for the hotel industry** has been a recurring subject of parliamentary debate at the federal level, with proponents calling for its extension to support the tourism sector and regional economies. Critics argued that the lower rate and the resulting annual revenue loss of CHF 300 million is misaligned with the need to address fiscal constraints, and pointed to record tourism numbers and related concerns about overtourism. This month, the National Council decided not to enter into consideration of the bill to extend the special rate beyond 2027. The proposal now moves to the Council of State. If that chamber also decides not to consider it, it will be removed from the parliamentary agenda, making it likely that the sector will face the standard rate of 8.1% as of 2028.²¹

Deductions of third-party childcare costs (*Drittbetreuungskosten*) have been actively debated at the federal but also often at cantonal levels. The issue remains politically contested, touching on questions of family policy, labour market participation, and distributional fairness. In a referendum held on 27 September 2020, the proposal to increase child tax allowances was rejected by a large majority of voters (63.1%). The standard allowance or **general tax deduction** therefore remained at 6,500 francs per child, and the amount of the allowance for third-party childcare costs also remained unchanged at 10,100 francs.²² Yet, after this process, the general child deduction has been adjusted upward through inflation indexation and later, in 2023, third party childcare costs were significantly increased after Parliament had revisited the issue in a new legislative process. Currently, the general tax deduction is capped at CHF 6,800 and the costs for third party childcare at CHF 25,800.

²⁰ To follow current tax policy developments in Switzerland, including in relation to TEs, the FTA hosts a helpful repository of “Parliamentary motions and initiatives in the area of taxation”, which provides an overview of legislative projects on taxation at the federal level (see here: <https://www.estv.admin.ch/de/parlamentarische-vorstoesse-und-initiativen-im-steuerbereich>, accessed on June 11, 2026).

²¹ <https://www.parlament.ch/de/ratsbetrieb/amtliches-bulletin/amtliches-bulletin-die-verhandlungen?SubjectId=71952>, accessed on June 11, 2026.

²² <https://www.efd.admin.ch/de/abstimmung-kinderdrittbetreuungskosten>, accessed on June 11, 2026.

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

Earlier this year, the Supreme Court (*Bundesgericht*) ruled that the law does not specify which third parties must provide the care and hence, expenses for structured holiday activities such as holiday camps, scout camps, and creative courses qualify as tax-deductible as third-party childcare costs as long as the care is necessary due to parents' working commitments (case 9C_156/2025).²³

Pillar 3a tax deductions represent a significant individual TE in the Swiss income tax system. The deduction is triggered by voluntary contributions to tax privileged savings accounts, and is limited by an annual contribution ceiling. Employees affiliated with a pension fund may pay in a maximum of CHF 7,258 per year, while the self-employed without a pension fund can contribute up to 20 percent of net earned income, capped at CHF 36,288. Proposals to raise contribution ceilings — most recently in the context of pension reform discussions — regularly resurface. In 2025, the Federal Council implemented an amendment to the relevant ordinance that allows taxpayers to retroactively close gaps in their Pillar 3a contributions (*rückwirkender Einkauf*).²⁴

The **lump-sum tax regime** (*Pauschalbesteuerung*) is an expenditure-based simplified tax regime for foreign nationals who are domiciled in Switzerland but are not gainfully employed in the country. This regime has faced sustained political pressure. A few cantons have abolished it following cantonal referenda. For instance, citizens in the canton of Zürich voted against expenditure-based taxation in a popular vote in 2009, and the practice was abolished as from January 2010. The cantons of Schaffhausen, Appenzell Ausserrhoden, Basel Landschaft and Basel Stadt followed Zürich's example and have also phased it out. On the other hand, the cantons of Thurgau, St Gallen, Lucerne and Bern decided to maintain expenditure-based taxation, but they applied stricter rules. The regime continues to exist at the federal level, illustrating how TE decisions can diverge across governmental levels.²⁵

At the cantonal and federal level, one of the most significant current discussions concerns the abolition of the **imputed rental value** (*Eigenmietwert*), a reform that necessarily triggers a comprehensive reassessment of the deductions associated with owner-occupied property, including maintenance costs and investment into energy saving measures. In April 2026, following a referendum in September 2025, the Federal Council fixed 1 January 2029 as the date for the entry into force of the abolition of the taxation of the imputed rental value for owner-occupied residences – i.e. a regime that added a notional rental income (typically, of around 60/70 percent of market rent) to their taxable income.²⁶

TEs granted through taxes that lie solely under the competence of subnational tiers of government are also worth mentioning. For instance, the exemption of direct descendants — and typically also spouses — from **inheritance and gift taxes** (*Erbschafts- und Schenkungssteuer*). Whereas there have been several attempts to introduce a federal inheritance tax, they have so far been rejected and hence, inheritance and gift taxation are currently exclusively a matter of cantonal law.²⁷ The overwhelming majority of cantons have introduced exemptions to both taxes that usually depend on family relationship; reflecting a broad political consensus – and in many cases also popular votes – that intergenerational wealth transfers between parents and their children should not be

²³ https://www.bger.ch/ext/eurospider/live/fr/php/aza/http/index.php?highlight_docid=aza%3A%2F%2Faza://29-01-2026-9C_156-2025&lang=de&zoom=&type=show_document, accessed on June 11, 2026.

²⁴ <https://www.admin.ch/de/nsb?id=103044>, accessed on June 11, 2026.

²⁵ <https://www.efd.admin.ch/de/besteuerung-aufwand>, accessed on June 11, 2026.

²⁶ <https://www.admin.ch/fr/newsb/yGTqBPowRqyVh0zPokW-q>, accessed on June 11, 2026.

²⁷ Swiss voters rejected in November 2025, the JUSO “Initiative for a Future”, which proposed a 50 percent federal inheritance and gift tax on wealth transfers exceeding CHF 50 million.

subject to taxation. While this position enjoys considerable democratic legitimacy, the fiscal cost is very likely substantial, but remains unquantified.

The use of **R&D tax incentives (the so-called R&D super deduction) and patent boxes** is closely tied to the entry into force of the 2020 Federal Act on Tax Reform and AHV Financing (TRAF).²⁸ The reform – which was preceded by a reform proposal that was voted down in 2017, the Corporate Tax Reform III, was triggered by international pressure from the OECD and the EU to abolish preferential cantonal tax regimes for multinational companies while preserving Switzerland's attractiveness as a business and innovation location. The TRAF abolished the internationally criticized cantonal tax regimes, introduced OECD-compliant innovation incentives such as R&D tax incentives and patent boxes that comply with the “nexus approach”, and linked the corporate tax reform to additional financing for the AHV.²⁹ Whereas there is no patent box at the federal level, cantons may exempt up to 90 percent of qualifying patent income from cantonal and communal profit tax.

Admittedly, the absence of systematic and reliable data constrains the quality of political debates in all these and other related areas. Without clear and consistently measured revenue forgone figures on the fiscal cost of individual TE provisions, the fiscal implications of new TEs as well as proposed reforms of existing ones remain a daunting task if not simply impossible. As discussed, this problem is particularly acute in the context of income taxation, where the involvement of different tiers of governments increases the complexity of estimation exercises. Moreover, the interaction of multiple deductions and the application of progressive rate schedules make revenue forgone estimates especially sensitive to underlying assumptions.

“*Without clear and consistently measured revenue forgone figures on the fiscal cost of individual TE provisions, the fiscal implications of new TEs as well as proposed reforms of existing ones remain a daunting task if not simply impossible.*”

²⁸ AHV stands for “*Alters- und Hinterlassenenversicherung*”, or “Old-Age and Survivors’ Insurance” (in English), which is the first pillar of the Swiss social security system.

²⁹ <https://www.bsv.admin.ch/de/abstimmung-staf>, accessed on June 11, 2026.

References

- Department of Finance of Ireland (2024).** *Tax Expenditures Evaluation – Updated Guidelines*, [https://assets.gov.ie/static/documents/86fd53de/Tax Expenditures Evaluation . Updated Guidelines.pdf](https://assets.gov.ie/static/documents/86fd53de/Tax_Expenditures_Evaluation_Updated_Guidelines.pdf).
- FFA (1997).** *Bericht des Bundesrates über die Prüfung der Bundessubventionen*. Federal Finance Administration (FFA). <https://www.efv.admin.ch/dam/de/sd-web/x6uhQ9QAv4wp/Subventionsbericht-1-1997-d.pdf>.
- FFA (2008).** *Subventionsbericht 2008 des Bundesrats*. Federal Finance Administration (FFA). <https://www.fedlex.admin.ch/eli/fga/2008/1144/de>.
- FFA (2023).** *Staatsrechnung 2022*. Federal Finance Administration (FFA). <https://www.efv.admin.ch/dam/de/sd-web/kPDgPy6KI9k3/SR%20Staatsrechnung%20-%20Band%201%20-%20DE.pdf>.
- FFA (2026).** *Einnahmen*. Federal Finance Administration (FFA), 23 March 2026 <https://www.efv.admin.ch/de/einnahmen>. Accessed on [14.06.2026].
- FTA (2009).** *Les déductions de l'imposition fédérale directe des personnes physiques et les possibilités de simplification*. Federal Tax Administration (FTA). <https://www.estv2.admin.ch/stp/berichte/stp-berichte-2009-deductions-imposition-federale-directe-fr.pdf>.
- FTA (2025).** *Zoom statistique sur la déduction fiscale pour frais de garde. Une analyse des données 2021 de l'impôt fédéral direct*. Federal Tax Administration (FTA). <https://www.estv2.admin.ch/stp/berichte/stp-berichte-2025-inanspruchnahme-steuerabzug-kinderbeuungskosten-fr.pdf>.
- von Haldenwang, C., Redonda, A., Aliu, F., and Berg, S. (Eds.). (2025).** *Tax expenditure effectiveness: Tax Expenditures Lab Flagship Report 2025*. German Institute of Development and Sustainability (IDOS) and Council on Economic Policies (CEP). <https://doi.org/10.23661/r3.2025>.
- Hümbelin, O. and Farys, R. (2018).** *Income redistribution through taxation–how deductions undermine the effect of taxes*. *Journal of Income Distribution*, 25(1), pp.1-35.
- IMF (2026).** *World Economic Outlook*. International Monetary Fund (IMF). <https://data.imf.org/en/datasets/IMF.RES:WEO>. Accessed on [10.06.2026].
- Kanton Zürich (2025).** *Beschluss des Kantonsrates zum Postulat KR-Nr. 309/2021 betreffend Auslegeordnung bezüglich Steuerabzügen bei natürlichen Personen im Kanton Zürich, Bericht und Antrag an den Kantonsrat*. Finanzdirektion. Kanton Zürich. <https://www.zh.ch/de/politik-staat/gesetze-beschluesse/beschluesse-des-regierungsrates/rrb/regierungsratsbeschluss-138-2025.html>.
- Krapf, M. and Schwarz, P. (2025).** *Effets de répartition d'une réforme de l'imposition du logement : effets de la décision du Parlement du 20 décembre 2024*. Federal Tax Administration (FTA). Principal Division Fiscal Policy. <https://www.estv2.admin.ch/stp/notizen/stp-notizen-2025-verteilwirkungen-emw-fr.pdf>.
- Moes, A. (2011).** *Welche Steuervergünstigungen gibt es beim Bund?* Federal Tax Administration (FTA). <https://www.estv2.admin.ch/stp/berichte/stp-berichte-2011-steuerverguenstigung-de.pdf>.

TAX EXPENDITURES COUNTRY REPORT – SWITZERLAND

Mosler, M., Schaltegger, C. and Schmitter, S. (2026). *IWP-Subventionsreport: Erstmals detaillierte Auswertungen zu den individuellen Empfängern der Bundesgelder.* Institut für Schweizer Wirtschaftspolitik. <https://admin.iwp.swiss/wp-content/uploads/2026/01/IWP-Subventionsreport-2025.pdf>.

National Assembly Budget Office of the Republic of Korea (2025). *Tax System of the Republic of Korea 2025,* <https://korea.nabo.go.kr/En/report/findAnalysisAllInfo.do?boardId=3357&pageIndex=4&key=2510020001&bbsId=BMSR00154>.

Peters, R. (2005). *Effet des déductions sur l'impôt fédéral direct des personnes physiques.* Federal Tax Administration (FTA). Fiscal Statistics and Documentation Division. <https://www.estv2.admin.ch/stp/berichte/stp-berichte-2005-effet-deductions-sur-impot-federal-direct-fr.pdf>.

Peters, R. (2011). *Steuerabzüge: Wer profitiert? Einblicke in die Steuerabzüge des Kantons Zug für das Jahr 2007.* Federal Tax Administration (FTA). https://kr-geschaefte.zug.ch/dokumente/220/13725_Bericht_ESTV_Definitiv.pdf.

Peters, R. (2025). *Les cotisations au pilier 3a versées en 2021. Une étude des déductions fiscales accordées aux personnes physiques durant l'année 2021.* Federal Tax Administration (FTA). Economics, Tax Statistics and Tax Documentation Division. <https://www.estv2.admin.ch/stp/berichte/stp-berichte-2025-cotisations-au-pilier-3a-fr.pdf>.

Redonda, A., von Haldenwang, C., and Aliu, F. (2025a). *Global Tax Expenditures Database (GTED) (1.3.2)* [Data set]. Tax Expenditures Lab. <https://doi.org/10.5281/zenodo.17312217>.

Redonda, A., Millan-Narotzky, L., Aliu, F., von Haldenwang, C., and Berg, S. (2026). *Global Tax Expenditures Transparency Index (GTETI) (2.1)* [Data set]. Tax Expenditures Lab. <https://doi.org/10.5281/zenodo.19820675>.

Redonda, A., Millan-Narotzky, L., von Haldenwang, C., Berg, S. and Aliu, F. (2025b). *The Global Tax Expenditures Transparency Index (GTETI) Companion Paper (revised version, December 2025).* German Institute of Development and Sustainability (IDOS) / Council on Economic Policies (CEP). <https://doi.org/10.23661/r4.2025>.

Schweizerische Eidgenossenschaft (2025). *The Swiss Tax System: Main features of the Swiss tax system, federal taxes, Cantonal and communal taxes.* <https://www.estv.admin.ch/en/the-swiss-tax-system-publication>.

SECO (2021). *Staatlicher Fussabdruck.* State Secretariat for Economic Affairs (SECO). <https://www.parlament.ch/centers/eparl/curia/2015/20153387/Bericht%20BR%20D.pdf>.

SFAO(2005). *Tax expenditures of the Swiss Confederation Examination of the reporting of the Federal Finance Administration.* Swiss Federal Audit Office (SFAO). https://www.efk.admin.ch/wp-content/uploads/publikationen/berichte/wirtschaft_und_verwaltung/oeffentliche_finanzen_und_steuern/4287/4287_titelblatt_der_englisch_ubersetzung.pdf.

Thalmann, A. and Thalmann, P. (2025). *Climate impact of tax reliefs in Switzerland.* Rapport UNIL et EPFL, 12 novembre 2024 (corr. 27.06.2025). <https://go.epfl.ch/allegements-fiscaux>.