

NewsLetter

English

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1. Partial Abolition of Bearer Shares

At its meeting of September 27, 2019, the Federal Council decided to bring into force the Federal Act on the Implementation of Recommendations of the Global Forum on Transparency and Exchange of Information for Tax Purposes on November 1, 2019.

The Act essentially abolishes bearer shares. Bearer shares only remain permissible if the company has equity securities listed on a stock exchange or the bearer shares are structured as intermediated securities. Companies meeting these requirements must have a corresponding remark entered in the commercial register within 18 months of the Act entering into force, i.e. by April 30, 2021. Impermissible bearer shares will be converted by law into registered shares on May 1, 2021. The commercial registry must officially enter the corresponding change in the commercial register. It will simultaneously enter a comment to the effect that the records of the entry contain different information. Incorporated companies whose shares have been converted by law must adjust the articles of association in line with the conversion when they next amend their articles of association. Until this amendment has been carried out, the commercial registry will reject all applications for the entry of other amendments to the articles of association.

The Act also provides for a procedure for identifying shareholders who have not complied with their duty to report to the company and whose shares have been converted. Shares held by non-registered shareholders will become void five years after the entry into force of the Act, i.e. on November 1, 2024.

The law also provides for a fine to be imposed on shareholders or companies that fail to report beneficial owners or to maintain the share register and the list of beneficial owners of shares. In addition, the Act requires legal entities headquartered abroad with effective

administration in Switzerland to keep a register of their owners at the effective place of administration.

As a client of Value Solutions, you do not need to take any further action. We will clarify any need for action on the part of our clients and contact you if required.

2. TRAF Status Change – Action Required for 2019 Financial Statements

The changes in connection with TRAF enter into force on January 1, 2020. Particular attention must be paid in the 2019 financial statements to the fiscal consequences of the status change of previously tax privileged companies. Companies that until now have been taxed at a privileged rate at the cantonal level can disclose certain hidden reserves including goodwill and enjoy privileged taxation on these over the next five years. As well as the transitional provisions with separate taxation under the new law, the provisions under the old law must additionally be taken into consideration in connection with a status change. Already relinquishing the privilege in 2019 and implementing the status change under the provisions of the old law can yield greater tax benefits under certain circumstances. As is to be expected, the cantons are applying different principles for carrying out the status change. It is therefore worth investigating the practice in the corresponding canton today and planning the status change. The corresponding proposal regarding the treatment of hidden reserves must be submitted to the responsible authorities together with the 2019 financial statements. The cantonal tax administration decides on the treatment of hidden reserves.

3. Update from the Area of Social Insurance

AHV/IV Adjustments from January 1, 2020

The Federal Act on Tax Reform and AHV Financing (TRAF) was approved by the Swiss electorate on May 19, 2019, after which the Federal Council decided to bring it into force as of January 1, 2020. AHV contributions are to rise for the first time in more than 40 years by 0.3 percentage points. The increase from 8.4 to 8.7 percentage points will be split in half between employee and employer, and the AHV/IV/EO contribution rate will therefore go up from 10.25 to 10.55 percent.

Occupational Benefits Provision

Despite proposals by the Federal Commission for Occupational Benefits Provision (BVG Commission) to reduce the minimum interest rate in occupational benefits provision for 2020 (suggestions between 0.25% and 1%), a narrow majority has called for it to be left at 1%. The minimum interest rate comprises the minimum rate to be paid on the pension scheme assets of insured persons in mandatory BVG provision. The final decision of the Federal Council regarding the minimum interest rate is expected shortly.

You will receive the customary annual overview of the key figures applicable from January 1, 2020 in early January 2020.

4. Valluga Corporate Finance AG

In order to expand our corporate finance activity and intensify our market presence in this area, Value Solutions has founded Valluga Corporate Finance AG together with Michael Weindl and Jan Lüchinger. Valluga in particular offers support in the area of mergers & acquisitions, succession planning and corporate financing, as well as restructuring, fundraising and company valuations. The co-founders were partners of the Helbling Group (Michael Weindl) and Abalis Finance Group (family

office) respectively.

We have every confidence that this will enable us to offer our clients an even better service in all areas of corporate finance. We are looking forward to hearing from you.

Further details can be found at the following link:

<https://www.valluga.ch/>

5. In-house news

New Team Members

Cedric Waser, Trust Administrator

Entry per 1. January 2020

Viktoria Schäfer, working Student

Entry per 1. January 2020

Andrey Shmelev, working Student

Entry per 1. January 2020



Total range of services

Tax consultancy

We take a holistic approach to tax planning, assist you in your tax planning and represent your interests with the authorities.

- Advice on all tax matters relating to company formations, conversions, mergers, divisions, renovations, liquidations, registered address relocation and succession planning
- Fiscal advice for company acquisitions and sales, joint ventures and MBOs/MBIs
- Annual statement assistance for tax purposes, preparation of tax returns and representing your interests with the tax authorities

Trust services & management consulting

Let us handle all business, taxation and legal financial and business issues for you.

- Development of efficient accounting solutions and implementation on your premises or at our offices
- Timely monitoring of finances and situation-specific information
- Support with recurring tasks such as VAT returns, payroll administration and insurance issues
- Advice on all corporate finance matters such as M & A services, transactions, private placements, financing, etc.

Auditing

We advise and assist you in controlling and monitoring your company. We develop solutions to enable you to react to any changes in the economic and regulatory environment in time.

- Examination of financial statements, prepared in accordance with national or international accounting standards
- Examination of pension funds, public corporations or revisions in terms of the Money Laundering Act
- Audit of the internal control system and the acceptance of internal audit assignments

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