

vat's important - Special Edition

Great news:

No RTV fees for foreign companies after all

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In the [May-Edition](#) of our newsletter, we reported on the fees for radio and TV, which were to be payable as of 2019 by all companies that are subject to VAT. On 30 August 2018, the Federal Tax Administration (SFTA) fortunately issued a notice that this obligation would not be applicable to foreign companies without a subsidiary in Switzerland after all.

The Federal Law on Radio and TV states that companies which are registered at the SFTA as persons subject to VAT are also liable for TV and radio fees. Pursuant to the word of the law, even foreign companies without a subsidiary in Switzerland, i.e. companies that were unlikely to be able to partake in the pleasure of TV and radio in Switzerland, would be liable to pay the fee. It was particularly for this reason that the planned obligation to pay the fee led to a great deal of annoyance and incomprehension amongst tax advisors, those liable to pay VAT and, especially, foreign companies.



On 29 August 2018, the Federal Office for Communication (BAKOM) drew up an explanatory report on the partial revision of the Radio and Television Ordinance (RTVV). In it, it was stated specifically that companies without business premises, residence or production sites in Switzerland would now not be included in the radio and television fee levy, since this was not consistent with international law and Switzerland's international contractual obligations. The SFTA published the report the following day, with effect from 1 January 2019.

What does this mean for my company?

Foreign companies without business premises, residence or production sites in Switzerland can continue to have themselves registered in the Swiss VAT register just as before without this being bound to a further obligation to pay a fee for radio and television.

What do I have to think about?

Companies that are subject to VAT, have a branch in Switzerland and a worldwide minimum turnover of CHF 500,000 will have to pay the company fee for radio and television from 1 January 2019. The amount of the fee is based on the submitted VAT returns (worldwide turnover). Please see our [newsletter from May](#) for more details.

With best regards from your VAT team

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