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Germany vs Switzerland: company formation compared

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In short: Germany: GmbH, corporate tax ~30%, registration usually 1–4 weeks after notarisation. Switzerland: GmbH / Sàrl, corporate tax ~12–21%, registration usually 2–4 weeks. Germany and Switzerland have a double tax treaty. Figures as of November 2026.

This page compares the standard private company in Germany and Switzerland. Each figure links to the official source; the full rules, step-by-step registration and FAQs are in the Company formation in Germany and Company formation in Switzerland guides.

Side by side

	Germany	Switzerland
Common form	GmbH (Gesellschaft mit beschränkter Haftung)	GmbH / Sàrl (limited liability company)
Registry	Commercial register (Handelsregister) [1]	Cantonal commercial register [2]
Minimum capital	€25,000 (at least €12,500 paid in); UG from €1	CHF 20,000, fully paid in
Directors	1 managing director (Geschäftsführer)	1 managing director
Local director	Not required	At least 1 person authorised to represent the company must live in Switzerland
Corporate tax	About 30% combined (15.825% plus municipal trade tax)	About 11.9% (Zug) to 20.5% (Bern), combined
VAT / sales tax	19%	8.1%
Typical timeline	Usually 1–4 weeks after notarisation	Usually 2–4 weeks

	Germany	Switzerland
Tax treaties	about 94 treaties in force [3]	99 treaties in force [4]
Currency	Euro (EUR)	Swiss franc (CHF)

Tax treaty between Germany and Switzerland

A double tax treaty caps the withholding tax one country may charge on payments to a company resident in the other. Where two rates are shown (for example 5/15), the lower rate applies only if conditions are met, usually a minimum shareholding.

Payment	Dividends	Interest	Royalties
From Germany to Switzerland [3]	0/5/15%	0%	0%
From Switzerland to Germany [4]	0/15%	0%	0%

Germany withholds at most 0%, 5% or 15% (depending on conditions) on dividends, 0% on interest and 0% on royalties paid to a company resident in Switzerland. Switzerland withholds at most 0% or 15% (depending on conditions) on dividends, 0% on interest and 0% on royalties paid to a company resident in Germany.

Treaty benefits require proof of tax residence and are subject to anti-abuse rules. See corporate tax residence and permanent establishment.

Frequently asked questions

Is there a double tax treaty between Germany and Switzerland?

Yes. Germany withholds at most 0%, 5% or 15% (depending on conditions) on dividends, 0% on interest and 0% on royalties paid to a company resident in Switzerland. Switzerland withholds at most 0% or 15% (depending on conditions) on dividends, 0% on interest and 0% on royalties paid to a company resident in Germany. Rates from PwC Worldwide Tax Summaries (reviewed 30 June 2026 and 1 July 2026).

What is the corporate tax rate in Germany and Switzerland?

Germany: about 30% combined (15.825% plus municipal trade tax). Switzerland: about 11.9% (Zug) to 20.5% (Bern), combined. The effective burden also depends on reliefs, the type of income and when profit is distributed.

How long does it take to register a company in Germany compared with Switzerland?

Germany: usually 1–4 weeks after notarisation. Switzerland: usually 2–4 weeks. Opening a bank account and tax registrations often take longer than registration itself.

What is the minimum share capital in Germany and Switzerland?

Germany: €25,000 (at least €12,500 paid in); UG from €1. Switzerland: CHF 20,000, fully paid in.

Do I need a local director in Germany or Switzerland?

Germany: not required. Switzerland: at least 1 person authorised to represent the company must live in Switzerland.

See also

- Company formation in Germany
- Company formation in Switzerland
- Germany vs Netherlands: company formation compared
- Singapore vs Switzerland: company formation compared
- Comparison of all 222 countries

References

1. Official Commercial register (Handelsregister) . Germany. Accessed November 2026.
2. Official Cantonal commercial register . Switzerland. Accessed November 2026.
3. Germany: Corporate – Withholding taxes (reviewed 30 June 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
4. Switzerland: Corporate – Withholding taxes (reviewed 1 July 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.

General information, not legal or tax advice. Figures as of November 2026; confirm with the official registry, the tax authority or a qualified adviser before filing.

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