

Legal forms of companies in Switzerland

Comparative overview

Effective January 2017

	Corporation (AG / SA)	Limited Liability Company (GmbH / Sàrl)	Branch (operation unit)
Set-up	Entry in commercial register, formal organization procedure	Entry in commercial register, formal organization procedure	Entry in commercial register, formal organization procedure
Purpose	Any commercial activity under the corporation name	Any commercial activity under the company name	Business operation of the mother company on the Swiss market
Beneficiary	Shareholders	Partners	Mother company
Founder	Physical person(s) or legal entity(ies) (foreign nationals/companies possible)	Physical person(s) or legal entity(ies) (foreign nationals/companies possible)	Mother company
Governing bodies	General meeting of shareholders Board of Directors (foreign nationals possible, but at least one director with power of sole signature, or two directors with joint signature must be domiciled in Switzerland)	Company meeting Managing Director(s) (foreign nationals possible, but at least one MD with power of sole signature, or two directors with joint signature must be domiciled in Switzerland)	Managing Director with domicile in Switzerland
Registered capital	Min. – CHF 100,000 Max. – no limit	Min. – CHF 20,000 Max. – no limit	Endowment capital, as decided by mother company
Shares	Minimum par value: CHF 0.01 20% of each share must be paid in (at least CHF 50,000)	Minimum par value: CHF 100.00 Must be fully paid in	
Transfer of shares	No consent of corporation or other shareholders required, unless otherwise set forth in the articles of association	Consent of company meeting is required, unless otherwise set forth in the articles of association	
Audit	Required for publicly owned corporations only For other corporations, if some economical thresholds are reached Opting-out of audit, if not more than 10 employees	Required if some economical thresholds are reached Opting-out of audit, if not more than 10 employees	Required if some economical thresholds are reached Opting-out of audit, if not more than 10 employees
Liability	Corporation's assets	Company's assets	Mother company
Advantages	Investors' anonymity Simple transfer of shares Limited liability	Low minimum capital Limited liability	No own capital required Low founding cost
Disadvantages	Costs Double taxation (income of corporation plus dividends to shareholders)	Low structural flexibility Transfer of shares is more complicated	Liability situation No legal creditor/debtor relationship between mother company and its branch

Electronic business card vCard



*Scan the QR code with
your smartphone or tablet*