

Corporation (AG): Characteristics

Legal character	Legal entity
Characterization	Corporation
Purpose	Economic or non-economic purpose
Founder	Minimum 1 individual or legal entity
Nationality and residence regulations	At least 1 person with representation authority for the corporation with domicile in Switzerland (can be Swiss or foreign citizen)
Document requirements	<ul style="list-style-type: none"> – Authentication by a notary public – Entry in Commercial Register
Governing bodies	<ul style="list-style-type: none"> – Shareholders Meeting – Board of Directors – Auditors
Company name	The name of the company may be freely chosen – with AG added
Minimum capital	CHF 100,000 (minimum CHF 50,000 fully paid in)
Establishment costs	<ul style="list-style-type: none"> – <i>Entry in Commercial register</i>: registration for company CHF 600, plus CHF 20-30 per authorized signatory or functional notification, average additional fees CHF 10-150 – <i>Notarization and consulting costs</i> (tax advisor, attorney, public notary, fiduciary, etc.): average from CHF 4,000 – 1% <i>stamp duty</i> on nominal capital in the event it exceeds CHF 1,000,000
Liability	Liability limited to the company assets
Taxes	Economic double burden: taxation of profits and capital of the company as well as taxation of distributions such as dividends (income tax) and company shares (asset tax) for partners
Bookkeeping	Obligation to keep books
Auditors	<ul style="list-style-type: none"> – In principle obligatory – For small and middle-sized companies, possibility to dispense with auditors in the event there are less than 10 full time positions
Advantages	<ul style="list-style-type: none"> – Limited liability – No public notice of ownership relationships – Only 1 founder necessary
Disadvantages	<ul style="list-style-type: none"> – High minimum capital – Double tax burden – Increased administrative expenses
Documents for entry in Commercial Register	Deed of incorporation, Articles of Association, acceptance statement of Board of Directors members, organizational minutes of BoD, Stampa declaration, payment certification or founders' report, choice of auditors
<small>(Specific documents dependent on individual case; must be in German)</small>	