

General Partnership (Kollektivgesellschaft): Characteristics

Legal character	Not a legal entity
Characterization	Partnership
Purpose	Economic or non-economic purpose
Founder	Minimum 2 individuals
Nationality and residence regulations	<ul style="list-style-type: none"> – EU/EFTA citizens: cross-border commuter's or residence permit – Citizens of other countries: in principle residence / business establishment permit (C Permit)
Document requirements	<ul style="list-style-type: none"> – Execution of Partnership Agreement – Entry in Commercial Register
Governing bodies	Partners
Company name	Family name of at least one partner with addition which indicates the business relationship (& Co.; & Cie.) or family name of all partners must be included
Minimum capital	No minimum capital
Establishment costs	<ul style="list-style-type: none"> – <i>Entry in Commercial Register</i>: registration for partnership CHF 240, plus CHF 20-30 per authorized signatory or functional notification, average additional fees CHF 10-150 – <i>Consulting costs</i> (tax advisor, attorney, fiduciary, etc.): average from CHF 2,000-3,000
Liability	<ul style="list-style-type: none"> – Primarily company assets – Subsidiary unlimited joint and several liability of the partners with their entire assets
Taxes	Taxation of income and assets for partners
Bookkeeping	Bookkeeping obligation
Auditors	Voluntary
Special remark	Proof of self-employment for social security registration obligatory (AHV)
Advantages	<ul style="list-style-type: none"> – Simple and inexpensive establishment procedure – No minimum capital requirement – No economic double tax burden (taxation of profits and capital for the company as well as taxation of distributions (income tax) and company shares (asset tax) for the partners)
Disadvantages	<ul style="list-style-type: none"> – Minimum 2 founders required – Unlimited liability of the partner – Lack of anonymity
Documents for entry in Commercial Register	Registration form, additional documents dependent on individual case