

Private banking and family offices in Milan

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The second element of Milan's attraction is the depth of its domestic private banking market. The Italian private banking association AIPB, which has its seat in Milan, reported record assets of EUR 1,417 billion for its members at the end of 2025 and EUR 1,412 billion at the end of the first quarter of 2026.¹ The figure covers the assets of Italian households served by private banking units and networks of financial advisers, most of them controlled by Italian groups with head offices or private banking divisions in Milan. Several Swiss groups serve this market from Milan through branches of their European subsidiaries, because Italian law requires an authorized presence for most services to Italian private clients.² For the Italian family that has regularized its assets, a Milan private bank offers what a Lugano bank cannot offer from Switzerland: active advice in Italy, Italian tax reporting as withholding agent under the administered regime and products designed for the Italian market.

Milan has also become the main Italian centre for family offices. Italy has no register of single family offices. The professional association of Italian family offices publishes only survey data. Single family offices of the large industrial families of Lombardy, Piedmont and Veneto and multi-family offices with a Milanese base nonetheless form a dense professional community, served by the Milan offices of the international law firms, the large audit networks and the fiduciary companies (*società fiduciarie*) supervised under Italian law.³ This community competes with Lugano's independent asset managers and fiduciaries described in Chapter E.III. It also cooperates with them, because Italian families that keep part of their assets in Switzerland need advisers on both sides of the border.

1 Competitor for residence, partner for booking

The effect of the flat tax on Lugano is ambivalent. On the residence market, Milan is a direct competitor. Chapter E.V has compared the Italian regime

with Ticino's taxation according to expenditure, which in 2024 applied to 725 taxpayers at a minimum base of CHF 429,100.⁴ For a foreign family without Italian income and with heirs who will inherit, the Ticino regime is often cheaper, while the Italian regime may be more attractive for persons with very large foreign incomes and a wish to live in a large city. The successive increases to EUR 200,000 and EUR 300,000 have narrowed Milan's price advantage. The Ticino tax reform approved in June 2024, which lowers the maximum cantonal income tax rate step by step to 12 per cent by 2030, has improved the position of ordinary taxpayers in the canton.⁵

On the booking market, the relationship is different. A flat-tax resident in Milan has no Italian reporting obligation for foreign assets and pays no Italian tax on their income or on their transfer at death. He or she can keep the liquid portfolio in Lugano without any tax disadvantage. Many such clients value the Swiss franc and Swiss custody. The obstacle is regulatory. A person resident in Italy is an Italian client for the purposes of Articles 28 and 29-ter of the Consolidated Law on Finance (*Testo unico della finanza*, TUF), and a Swiss bank may provide investment services to such a client only through an Italian branch or at the client's own exclusive initiative, as Chapter E.IV has explained. The wealthy foreigner who moves from London to Milan is therefore a potential client of the Lugano centre whom Lugano's banks may not actively approach. Milan's growth as a residence for wealthy foreigners thus enlarges Lugano's potential client base, while market access law prevents Lugano from capturing it.

Common misconception. It is often said that the Italian flat tax has "taken" Italian clients away from Lugano. The regime is available only to persons who were not resident in Italy for nine of the previous ten years. Its users are mostly foreigners and returning Italians, among them Italians who lived in Ticino. The regime competes with Ticino for residents. For assets, a flat-tax resident in Milan is a client whom a Lugano bank could serve without any tax obstacle if Italian market access rules allowed it.

2 Notes

1. AIPB (above). ↩
2. On the legal requirement see Chapter E.IV. Examples are the Milan branches of UBS Europe SE and of the European entities of Pictet, Lombard Odier and other Swiss groups. ↩
3. Associazione Italiana Family Officer (AIFO), market surveys; supervision of società fiduciarie under Art. 106 TUB. ↩

4. RSI, "Ticino: meno globalisti ma più entrate fiscali nel 2024", 26 September 2025, <https://www.rsi.ch/info/ticino-grigioni-e-insubria/Ticino-meno-globalisti-ma-pi%C3%B9-entrate-fiscali-nel-2024--3147723.html>. ↩
5. Repubblica e Cantone Ticino, presentation "Votazione del 9 giugno 2024", 7 May 2024, <https://www3.ti.ch/COMUNICAZIONI/239691/20240507%20-%20Presentazione%20-%20Votazione%20del%209%20giugno%202024%20-%20v4.pdf> (reduction of the maximum income tax rate from 15.076 to 12 per cent by 2030). On the result of the vote see Chapter E.V. ↩

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