

Proximity, language and the Lombard network

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The third motive is proximity. Lugano is about 70 kilometres from the centre of Milan and, since the opening of the Ceneri base tunnel in 2020, about an hour by train. An entrepreneur in Varese, Como or Monza can move to Ticino without changing his clients, his suppliers, his bank relationships or his children's language. The canton's administration, courts and commercial register work in Italian, its professionals often studied in Milan or Pavia and its company law terminology is close enough to the Italian to be understood without translation, although the differences matter, as Chapter J.III shows. No other Swiss canton offers a Lombard entrepreneur this combination. Zug and Schwyz may tax less, but they require German and a move of several hours from the business that the entrepreneur often continues to supervise.

Proximity is also the source of most legal risk. Because the distance is short, an entrepreneur can keep his house in Italy, his wife's family in Brianza and his weekly meetings in the Italian factory. The ease of commuting makes it tempting to treat the move as an address change and to continue living as before. Italian tax authorities know this. The case law discussed below concerns almost exclusively people who live within an hour of the border. A move from Milan to Lugano is a change of tax residence only if the facts of daily life change with it.

1 Waves of relocation and the available data

No official statistic records the number of companies moved from Italy to Ticino or the number of Italian entrepreneurs who have settled there. The available data are indirect. At the end of 2024 Ticino had a permanent resident population of 358,903, of whom 105,542 were foreign nationals. Italians formed by far the largest group with 64,240 persons, or 60.9 per cent of all foreign residents.¹ In the same year the commercial register of the canton recorded 2,331 new legal entities, including 437 companies

limited by shares and 968 limited liability companies. At the end of the year 42,647 entities were registered, the sixth highest number among the cantons.² The Institut für Jungunternehmen counted 52,978 new companies in Switzerland in 2024 and reported an increase of 3 per cent for Ticino.³

The share of Italians among founders can be estimated only from occasional reports. In January 2016 the platform startups.ch reported an increase of 55 per cent in companies founded through it by Italian entrepreneurs, at a time when total registrations in Ticino fell by 12.7 per cent to 1,136. A representative of the cantonal service Fondounimpresa.ch explained the phenomenon as normal in a border zone, amplified by the Italian crisis in construction and commerce.⁴ The waves follow Italian conditions. Interest peaked during the sovereign debt crisis of 2011 to 2013, when Italian taxes rose and credit contracted. It fell after 2015, when the end of banking secrecy and the Swiss-Italian agreements removed the attraction of undeclared structures. It rose again with the Italian residence and corporate reforms of 2023, which some entrepreneurs read as an opportunity and others as a threat.

In figures. Ticino had 358,903 permanent residents at the end of 2024, of whom 64,240 were Italian nationals (60.9 per cent of all foreigners).⁵ Its commercial register recorded 2,331 new legal entities in 2024, among them 437 SA and 968 Sagl, and 42,647 registered entities at year end.⁶ Italian courts needed about 540 days for a first-instance civil case in 2022 against an EU median of 239.⁷ The combined profit tax rate in Ticino was 16.05 per cent in 2025, Italian IRES and IRAP together 27.9 per cent.⁸

2 Notes

1. Ufficio di statistica del Cantone Ticino (USTAT), news release 2025-31, 11 September 2025, https://www3.ti.ch/DFE/DR/USTAT/allegati/news/254778ns_2025-31.pdf. ↩
2. laRegione, report on the activity of the cantonal commercial register in 2024, 22 January 2025, <https://www.laregione.ch/cantone/ticino/1811052/servizi>. ↩
3. KMU-Portal of the State Secretariat for Economic Affairs, "Nuovo record di creazioni di imprese", 15 January 2025, <https://www.kmu.admin.ch/it/nuovo-record-di-creazioni-di-imprese> (data of the Institut für Jungunternehmen, IFJ). ↩

4. Ticinonline, report on new companies in Ticino in 2015, 8 January 2016, <https://www.tio.ch/ticino/attualita/1064939/nuove-imprese-in-ticino-boom-di-italiani> (statement of Marco Schmidt, Fondounimpresa.ch). ↩
5. USTAT, news release 2025-31 (above). ↩
6. laRegione, 22 January 2025 (above). ↩
7. CEPEJ country fiche (above). ↩
8. SWI swissinfo.ch, 21 May 2025 (above); for the Italian rates see the first note of this section. ↩

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