

The amendments of 2026

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

On 1 January 2026 amendments to the CRS adopted by the OECD in 2023 took effect in Switzerland, together with the legal basis for the exchange on Kryptowerte und Digital Assets discussed in the next section.¹ The amended standard brings within its scope specified electronic money products and central bank digital currencies, and it extends the definition of financial assets to include certain Kryptowerte und Digital Assets held through financial institutions. It also requires additional data points, such as the role of each controlling person and whether an account is a joint account. The Federal Council had proposed fines for negligent violations of the reporting duties, but Parliament rejected them.² The European Union implemented the same amendments in the Directive on Administrative Cooperation through Directive (EU) 2023/2226 (DAC8), which applies from 1 January 2026.³

1 The inbound flow and the Ticino tax administration

The automatic exchange is often described from the perspective of the state that receives Swiss data. For Ticino the inbound flow is equally significant. Many Italian nationals have moved to Ticino since the 1990s, some as employees and entrepreneurs, others as pensioners or as taxpayers assessed on a lump-sum basis under Art. 14 DBG, which Chapter E.V examines. Many of them kept accounts in Italy, for practical reasons or out of habit. Since 2018 these accounts appear in the data that Italy sends to the Federal Tax Administration, which forwards them to the cantonal tax administration in Bellinzona.⁴

The canton uses the data to check the wealth tax and income tax returns of its residents. A Ticino resident who has not declared an Italian account may correct his position through a voluntary disclosure without penalty, a possibility that exists once in a lifetime under Art. 175 para. 3 DBG and the corresponding cantonal provisions, discussed below. Once the cantonal

authority has the CRS data, the disclosure is no longer voluntary in the legal sense, because the authority already knows of the account.⁵ For lump-sum taxpayers the data serve a different purpose. They allow the authority to check whether the control calculation, which compares the lump-sum tax with the ordinary tax on Swiss-source income and certain foreign income, has been made correctly.

The reciprocal flow also corrects a common assumption about the Swiss-Italian relationship. Italian money in Switzerland is one side of the picture. Swiss residents with Italian assets, including the many Ticino families with property and accounts across the border, are subject to the same scrutiny by the Swiss authorities.

2 FATCA: from Model 2 to Model 1

The United States is not a CRS jurisdiction. Its unilateral regime under the Foreign Account Tax Compliance Act (FATCA) requires foreign financial institutions to report the accounts of US persons to the Internal Revenue Service. Switzerland implemented FATCA through an intergovernmental agreement under Model 2, which entered into force on 30 June 2014.⁶ Under Model 2 Swiss financial institutions report directly to the IRS on the basis of their clients' consent. For clients who refuse consent, the so-called recalcitrant account holders, the institutions report only aggregated data, and the IRS can then file group requests through the Federal Tax Administration under the Tax Administrative Assistance Act. The exchange was not reciprocal: Switzerland received nothing in return.⁷

On 27 June 2024 Switzerland and the United States signed a new agreement under Model 1. Swiss financial institutions will report to the Federal Tax Administration, which will forward the data to the IRS, and Switzerland will in turn receive information on the accounts of Swiss residents in the United States, although only for accounts of natural persons.⁸ The Federal Council opened the consultation on the implementing legislation on 7 March 2025.⁹ The switch, originally expected for 1 January 2027, was postponed by one year. According to the State Secretariat for International Finance, the Model 1 agreement will enter into force on 1 January 2028, with transitional provisions to ensure continuity, and Swiss institutions continue to apply the Model 2 rules until then.¹⁰ For Lugano the change has a specific relevance. Italian families frequently include members with US citizenship through birth or marriage, and Ticino banks have long been cautious with US persons since the US tax programme for Swiss banks of 2013. Under Model 1 the client's consent is no longer the legal basis of the report, so that the long-standing

tension between FATCA disclosure and Art. 47 BankA disappears. The asymmetry of the old regime, under which Switzerland gave without receiving, also ends, although the United States does not commit to the full reciprocity of the CRS.

Common misconception. Many clients believe that FATCA and the CRS are two versions of the same system. They differ in their basis and in their reach. FATCA is a US statute that attaches to US citizenship and is enforced through withholding on US-source payments, while the CRS is a multilateral standard that attaches to tax residence. A US citizen resident in Lugano is reported under FATCA to the United States and may also be reported under the CRS if he holds accounts in a third CRS state. Switzerland has applied FATCA under Model 2 since 2014 and will move to Model 1 on 1 January 2028.

3 Notes

1. State Secretariat for International Finance, FAQ zum AIA über Kryptowerte (Update), <https://www.sif.admin.ch/dam/de/sd-web/3DLzoBB6uMYz/CARF%20FAQ%20Update%20DE.pdf> (amendments to the CRS effective 1 January 2026, including e-money products, central bank digital currencies and an extended definition of financial assets). ↩
2. "Parlament für Ausweitung des Informationsaustauschs auf Kryptowerte", Moneycab, 8 September 2025, <https://www.moneycab.com/?p=2019069> (rejection of fines for negligent violations). The additional data points under the amended CRS (role of controlling persons, joint accounts) follow the 2023 update to the CRS in OECD, International Standards for Automatic Exchange of Information in Tax Matters (above). ↩
3. Council Directive (EU) 2023/2226 of 17 October 2023 amending Directive 2011/16/EU on administrative cooperation in the field of taxation, <https://eur-lex.europa.eu/eli/dir/2023/2226/oj/eng> (entry into force on 13 November 2023; application from 1 January 2026). ↩
4. AEOI Act (above), Art. 21 para. 1, on the forwarding of information received from partner states to the Swiss authorities responsible for assessing and collecting the taxes concerned, <https://www.droit-bilingue.ch/de-fr/6/65/653.1-21-25.html>. ↩
5. DBG, Art. 175 para. 3 lit. a, under which the penalty-free voluntary disclosure requires that the evasion is not known to any tax authority, <https://www.droit-bilingue.ch/de-fr/6/64/642.11-175-196.html>;

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- StHG, Art. 56 para. 1bis,
<https://www.droit-bilingue.ch/de-fr/6/64/642.14-56-87.html>. ↩
6. Grant Thornton Switzerland, "FATCA Agreement between Switzerland and the USA: Switch from Model 2 to Model 1", <https://www.grantthornton.ch/en/insights/fatca-agreement-switzerland-usa-switch-model-1/> (entry into force on 30 June 2014). Agreement of 14 February 2013 between Switzerland and the United States of America on cooperation to facilitate the implementation of FATCA, SR 0.672.933.63, <https://www.droit-bilingue.ch/de-fr/0.6/0.67/index.html>. ↩
 7. Grant Thornton, "FATCA Agreement" (above), on direct reporting, consent, aggregated reporting and group requests. ↩
 8. Swiss Federal Council, "Switzerland and United States agree on mutual exchange of financial account data", press release of 27 June 2024, <https://admin.ch/gov/en/start/documentation/media-releases.msg-id-101674.html>; Grant Thornton, "FATCA Agreement" (above), on the limitation of US reporting to accounts of natural persons. ↩
 9. Grant Thornton, "FATCA Agreement" (above): consultation from 7 March to 14 June 2025. ↩
 10. KPMG, "Switzerland: FATCA Model 1 IGA entry into force delayed", Tax News Flash, 13 February 2026, <https://kpmg.com/kpmg-us/content/dam/kpmg/taxnewsflash/pdf/2026/02/switzerland-feb13-2026.pdf>, based on a SIF announcement of 26 January 2026. ↩

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