

The communal multiplier and the rate in Lugano

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

The effective rate in a Ticinese commune depends on the communal multiplier (*moltiplicatore d'imposta comunale*), which each commune fixes annually as a percentage of the basic cantonal tax. The KPMG figure for Ticino refers to the cantonal capital Bellinzona, whose coordinated multiplier for 2026 is 93 per cent. Lugano's coordinated multiplier for 2026 is 81 per cent, Mendrisio's 78 per cent, Chiasso's 88 per cent and Stabio's 65 per cent.¹ Lugano applies different multipliers to individuals and to legal entities. In its 2026 budget the municipality proposed to raise the multiplier for individuals from 77 to 80 per cent and that for legal entities from 82 to 85 per cent, mainly to finance the new stadium and sports centre. A group of councillors proposed limiting the increase to one point.²

On these figures the effective profit tax rate of a company in Lugano is somewhat lower than in Bellinzona. The inputs are a cantonal rate of 5.5 per cent, the cantonal coefficient of 96 per cent planned in the 2019 reform, a communal multiplier of 82 to 85 per cent and the federal rate of 8.5 per cent. Together they produce a combined tax of roughly 18.3 to 18.5 per cent of profit after tax, or an effective rate of about 15.5 per cent of profit before tax.³ The rate is above the OECD minimum of 15 per cent. A large trading group in Lugano will therefore in most cases owe little or no Swiss top-up tax, a point taken up in the next section. It remains above Zug and Lucerne by three to four percentage points. Communes such as Stabio, with lower multipliers, offer slightly lower rates, which explains part of the attraction of the Mendrisiotto for distribution companies (Chapter F.III).

Year Cantonal profit rate Effective rate, cantonal capital (Ticino) 2013 — 22.73 % 2019 9 % about 19 % 2020–2024 8 % 19.2 % (2021) 2025 5.5 % 16.05 %

1 Capital tax, dividends and the cantonal economic promotion

The capital tax is the second cantonal tax on companies. It is levied on the taxable equity, and because trading companies need substantial equity to obtain bank lines, it is not negligible for them. Ticino's reform of 2018 and its adaptation to TRAF responded with the credit of a portion of the profit tax against the capital tax, which reduces the capital tax for profitable companies. For loss-making years or for companies with high equity and thin margins the capital tax remains a cost.⁴ Since 2018 dividends have been taxed at 70 per cent at cantonal level. Owners who live in Ticino and draw dividends from their trading company thus pay a combined burden of corporate and personal tax, which the Ticinese reform debates have regularly compared with the burden in Zug and Schwyz.

Ticino's economic promotion operates through the Law on Economic Innovation of 2015 and the agencies that implement it, which can support investment projects and the creation of jobs. Trading houses rarely qualify for such support, which is aimed at industrial and innovative activities. The canton's main instrument for attracting trading companies has therefore been the reduction of the ordinary rate itself. It is combined with the proximity of the Italian market, the banks and a workforce that includes cross-border commuters from Lombardy and Piedmont (Chapter H.I).⁵ Tax rulings remain available. The cantonal tax administration in Bellinzona confirms the treatment of structures in advance on request. Such rulings are common for the allocation of functions in a new trading group, for an immigration step-up and for the qualification of participations.

In figures. Ticino's cantonal profit tax rate fell from 9 per cent in 2019 to 8 per cent in 2020 and to 5.5 per cent in 2025.⁶ The effective rate in the cantonal capital fell by 3.11 percentage points to 16.05 per cent in 2025, against a Swiss average of 14.4 per cent and 11.85 per cent in Zug.⁷ Lugano's coordinated communal multiplier for 2026 is 81 per cent, that of Bellinzona 93 per cent.⁸ In 2021 Ticino accounted for 9.5 per cent of the core jobs in Swiss commodity trading.⁹

2 Notes

1. Sezione degli enti locali del Cantone Ticino, Moltiplicatore comunale coordinato 2026 valido per la determinazione del contributo di livellamento 2027, 8 July 2026, https://www4.ti.ch/fileadmin/DI/DI_DI/SEL/Comuni/Perequazione

/FU-MCC2026.pdf. The coordinated multiplier is a statistical value for equalization purposes and may differ from the multipliers actually applied to individuals and companies. ↩

2. "Moltiplicatore d'imposta a Lugano, si limiti l'aumento all'1%", laRegione, 22 December 2025, <https://www.laregione.ch/1892600>. ↩
3. Author's calculation from the figures cited in the preceding notes: federal tax 8.5 per cent, cantonal tax 5.5 per cent × 96 per cent, communal tax 5.5 per cent × 82–85 per cent, all levied on profit after tax because the taxes are deductible (Art. 59 para. 1 lit. a DBG). The result is an approximation. ↩
4. Consiglio di Stato, press kit of 10 July 2019 (above) (credit raised from 10 to 16 per cent). The capital tax rate is not given here. ↩
5. Legge per l'innovazione economica (LInn) of 14 December 2015, as cited in the preamble of the Regolamento sulla legge per l'innovazione economica (RLInn) of 17 February 2016, text at LexFind, <https://www.lexfind.ch/tolv/119793/it>. On the conditions of support and tax relief under the LInn see Chapter H.II. ↩
6. Consiglio di Stato, press kit of 10 July 2019 (above). ↩
7. SWI swissinfo.ch, 21 May 2025 (above). ↩
8. Sezione degli enti locali, Moltiplicatore comunale coordinato 2026 (above). ↩
9. Federal Council, Recommendations from "The Swiss commodities sector: current situation and outlook" – progress on implementation, report of 21 April 2021, <https://www.news.admin.ch/newsd/message/attachments/66222.pdf> (Geneva 44 per cent, Zug 21.4 per cent, Ticino 9.5 per cent). ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/lugano-the-communal-multiplier-and-the-rate-in-lugano