

Fiscal equalisation: a strategy for the canton

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The canton's contributions to fiscal equalisation will rise with its revenues from the minimum tax. The canton has an interest in limiting them, but it also has an interest in maintaining the support of the other cantons for the national framework that makes its tax policy possible. A strategy that combines both interests could include several elements. The canton could support reforms of the equalisation formula that treat minimum tax revenue fairly, without reducing its own contributions in a way that other cantons would see as unjustified. It could emphasise its contributions to national prosperity through the companies it hosts, the taxes they pay at the federal level and the jobs they create in other cantons. It could also cooperate with the financially weaker cantons on common projects, for example in infrastructure or education, which would show that its prosperity benefits the country as a whole.

The canton's image in the rest of Switzerland matters for its future. Federal decisions on taxation, immigration and relations with Europe are taken by majorities in which Zug has little weight. A canton that is perceived as selfish or arrogant risks losing the goodwill of the other cantons and of the Swiss voters. A canton that is perceived as a responsible partner will find it easier to defend its interests. The canton's leaders have recognised this in public statements that have increasingly emphasised solidarity alongside competition.

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