

## Inheritance and gift taxes

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The absence of an inheritance tax on transfers to descendants is one of the most important factors of the canton's attractiveness for wealthy families. Switzerland has no federal inheritance tax. The cantons levy their own inheritance and gift taxes, and all but three of them exempt direct descendants.<sup>1</sup> Zug exempts spouses, direct descendants and parents while taxing transfers to other heirs and recipients.<sup>2</sup> The inheritance tax covers transfers by will, by inheritance contract and by trust arrangements.<sup>3</sup>

The federal popular initiative of the Young Socialists, which proposed a federal tax of 50 per cent on estates and gifts exceeding 50 million francs, to finance climate protection, was rejected on 30 November 2025 by about 78 per cent of the voters and by all cantons. It would have affected about 2,500 households, among them some 300 with wealth of more than 100 million francs.<sup>4</sup> The campaign had caused considerable concern among wealthy families. According to a study of the University of St. Gallen, 48 per cent of the surveyed Swiss single family offices stated that their families had evaluated relocation scenarios in case the initiative was adopted, 15 per cent had developed concrete plans and 5 per cent had already moved in anticipation.<sup>5</sup> The result of the vote confirmed the stability of the Swiss framework and, with it, the position of the low-tax cantons.

### 1 Notes

1. swissinfo.ch, "Ein Debakel für die Jungsozialisten: Die Erbschaftssteuer-Initiative scheitert klar", 30 November 2025: Switzerland maintains no federal inheritance tax; cantons administer their own inheritance taxes, and all but three have exempted direct descendants. ↩
2. ESTV, "Erbschafts- und Schenkungssteuern (Stand der Gesetzgebung: 1. Januar 2025)", Dossier Steuerinformationen, estv.admin.ch: in the canton of Zug, spouses, descendants (including adopted children),

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parents and stepparents and registered partners are exempt; cohabiting partners are exempt if they have lived in a common household for at least five years; [neho.ch](#), "So viel Erbschaftssteuern zahlt man im Kanton Zug", accessed September 2026: siblings taxed at 4 to 8 per cent and unrelated persons at up to 20 per cent (top rate for amounts above CHF 600,000). ↩

3. Kanton Zug, "Erbschafts- und Schenkungssteuer", [zg.ch](#), accessed September 2026: inheritance tax applies to property transfers due to death, including those through wills, inheritance contracts and trust arrangements; gift tax covers transfers between living persons without corresponding consideration. ↩
4. [swissinfo.ch](#), "Ein Debakel für die Jungsozialisten": initiative rejected on 30 November 2025 by approximately 78 per cent of voters and by all cantons; federal inheritance tax of 50 per cent on estates exceeding CHF 50 million, with revenue to fund climate protection; approximately 2,500 households affected, roughly 300 with more than CHF 100 million; opponents warned of the departure of major taxpayers and the sale of family companies to pay the tax. ↩
5. University of St. Gallen, "Swiss Single Family Offices: Deutlicher Vermögenszuwachs von 2023 bis 2025 auf 785 Milliarden Franken", [unisg.ch](#): had the inheritance tax passed in November 2025, 48 per cent of surveyed single family offices indicated their families evaluated relocation scenarios, 15 per cent developed concrete plans and 5 per cent had already moved in anticipation. ↩

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