

Zug and its neighbours

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

Zug is not the only canton that competes for wealthy residents in central Switzerland. Schwyz and Nidwalden, the two cantons with the highest average net wealth per taxpayer, have tax regimes that are, in some respects, even more favourable, while Lucerne has reduced its taxes substantially in recent years.¹ The communes on the shores of Lake Lucerne and Lake Zurich in the canton of Schwyz, such as Wollerau, Freienbach and Küssnacht, attract wealthy families who wish to live close to Zurich. The wealthy newcomers to central Switzerland therefore choose between several low-tax cantons. Their choice depends on the specific tax burden in the commune, the availability of suitable housing, the schools and the proximity to Zurich.

The competition between the central Swiss cantons for wealthy residents is intense and follows the logic that Part B described for companies. Because each canton sets its own tax rates, a family that moves from Zug to Schwyz, or from Zurich to Zug, changes its tax burden without leaving the Swiss legal and economic space. Although the national fiscal equalisation redistributes a part of the resulting fiscal potential, it does not eliminate the incentive to compete. For the practitioner, the comparison of the tax burden in several candidate communes is a standard part of the advice to a family that plans to move to central Switzerland.

1 Notes

1. cash.ch, "In diesen drei Kantonen ist das Reinvermögen pro Person am höchsten": Nidwalden (CHF 1.55 million) and Schwyz (CHF 1.52 million) ahead of Zug (CHF 1.3 million) in average net wealth per taxpayer in 2021; KPMG Switzerland, press release May 2025: Schwyz with the lowest top income tax rate at 21.98 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/zug-zug-and-its-neighbours