

Family offices, trusts and foundations in Zurich practice — overview and summary

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The three preceding chapters of this part described the institutions through which Zurich manages other people's money: the exchange, the fund industry and the private banks with their satellite of independent asset managers. This chapter turns to the structures through which wealthy families organise their own money. Family offices, trusts and foundations sit at the point where the financial centre meets private life. They are the vehicles by which an entrepreneur who has sold a company in Munich, a shipping family from Athens or an industrial dynasty from the Zurich Oberland arranges the investment of its capital, the education of its children, the passing of control to the next generation and the settling of disputes that such passing tends to provoke. Their legal architecture draws on company law, the law of persons, succession law, private international law, tax law and financial market regulation all at once. The practitioner who advises on them has to hold these fields together in a single plan.

Zurich occupies an unusual position in this field. Switzerland has no trust law of its own, although Swiss banks and trust companies have administered foreign trusts for more than a century. The Swiss family foundation, which might have served as a domestic substitute, has been confined since 1912 to a narrow set of purposes. The Swiss legislature has tried twice in the past decade to change this, first with a project for a Swiss trust and then with a mandate to liberalise the family foundation. Neither has yet produced a statute. Zurich has nevertheless become one of the principal centres for single family offices in continental Europe, while its trustees, lawyers and tax advisers administer structures governed by the laws of Jersey, Guernsey, the Cayman Islands, Liechtenstein and England. The result is a practice that is thoroughly international in its instruments and thoroughly Swiss in its regulatory and fiscal setting.

The chapter proceeds in fourteen steps. It begins with the family office as a market phenomenon and then examines its regulatory status under the Financial Institutions Act and the anti-money laundering rules. Three sections follow on trusts: their recognition in Swiss law since 2007, the licensing of trustees and the tax practice of the cantons. A further section traces the rise and fall of the Swiss trust project. The chapter then turns to foundations, both the family foundation under Article 335 of the Civil Code and the charitable foundation under state supervision, before comparing the Swiss instruments with the Liechtenstein foundation and the Jersey trust. The later sections address succession law and its reform, governance and dispute resolution, transparency, and the practical structures used by international families who settle in Zurich. A closing section considers what this field says about the character of the financial centre as a whole.

1 Conclusion

Family offices, trusts and foundations form a field in which the Zurich financial centre acts as a service platform for structures whose legal foundations often lie elsewhere. The single family offices concentrated in Zurich and the neighbouring cantons manage assets estimated at CHF 785 billion, frequently in combination with family businesses employing hundreds of thousands of people worldwide. Most of them fall outside the Financial Institutions Act because of the family ties exemption, although many are subject to anti-money laundering obligations. Multi family offices are licensed as portfolio managers, and trustees have been subject to FINMA licensing since 2020.

Trusts have been recognised in Switzerland since the Hague Convention entered into force on 1 July 2007, and their taxation rests on the administrative practice set out in Circular No. 30 of the Swiss Tax Conference. The attempt to create a Swiss trust failed in 2023 because of a lack of political consensus and the rejection of its tax provisions. Parliament then instructed the Federal Council to liberalise the family foundation, whose narrow purposes under Article 335 of the Civil Code have limited its usefulness for more than a century. Charitable foundations, by contrast, flourish in Zurich, which has more of them than any other canton. Their supervision passed in 2026 to the new intercantonal authority ATIOZ, and the foundation law reform of 2024 and Zurich's tax practice changes have improved their framework.

The reforms of inheritance law in 2023 and of international succession law in 2025 have expanded the scope for planning. The introduction of

arbitration clauses in trust and foundation instruments, with specialised rules since 2025, offers a confidential forum for disputes. Transparency obligations under AEOI and the new register of beneficial owners have made structures that relied on discretion alone obsolete. In this environment, Zurich practice has shifted towards robust, compliant and internationally coordinated structures, in which Swiss expertise in banking, law and tax is combined with foreign legal instruments.

2 In five sentences

1. Zurich is one of the leading locations for single family offices in Europe, hosting close to a third of the Swiss offices surveyed in 2026, which collectively manage assets estimated at CHF 785 billion.
2. Single family offices generally fall outside the Financial Institutions Act through the family ties exemption, whereas multi family offices and professional trustees require a FINMA licence and supervision by a supervisory organisation.
3. Switzerland has recognised foreign trusts since 1 July 2007 and taxes them according to Circular No. 30 of the Swiss Tax Conference, but abandoned the creation of a Swiss trust in 2023 for lack of political consensus.
4. The Swiss family foundation remains restricted by Article 335 of the Civil Code, although Parliament has instructed the Federal Council to lift the prohibition of maintenance foundations, while charitable foundations in Zurich benefit from the 2024 reform and the new intercantonal supervisor ATIOZ.
5. The reductions of compulsory portions in 2023, the revised international succession law of 2025, the recognition of arbitration clauses in trust deeds and the new transparency rules together define the framework in which Zurich practitioners design succession and wealth structures for international families.

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