

White Paper

Owning a Swiss Company as a Non-Resident

The 5 Key Steps to Avoid Making Mistakes

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1. Introduction

Establishing and owning a company in Switzerland, even as a non-resident, is a mark of prestige and stability. However, there are key steps you should follow to avoid legal, financial, and administrative pitfalls.

This white paper outlines the five major steps to successfully create and manage a Swiss company, following best practices and in compliance with the General Terms and Conditions and Service Agreement of **Mercury Strategy**.

2. Why Switzerland?

Switzerland stands out for several reasons:

- **Political and Economic Stability**
Legislative changes are generally predictable and moderate.
- **Renowned Quality**
The “Swiss label” adds international credibility and confidence.
- **Business-Friendly Environment**
Clear taxation, efficient administration, and respected confidentiality.
- **Strong Brand Image**
Owning a Swiss company can enhance your standing in professional and social circles worldwide.

For foreign entrepreneurs and investors, this combination provides a unique platform for growth and security.

3. Step 1: Choosing the Right Legal Structure

Two main corporate forms are typically used by non-residents in Switzerland:

The Corporation (SA)

- **Minimum Capital:** CHF 50,000
- **Formal structure, strong shareholder protection, and high-end image**
- **Ideal for:** Entrepreneurs seeking international credibility and strict governance

The Limited Liability Company (Sàrl)

- **Minimum Capital:** CHF 20,000
- **More flexible, but often perceived as less prestigious than an SA**
- **Often chosen for:** Smaller-scale or more modest activities

Key to Success: Analyze your objectives (prestige, size, budget, legal requirements) with an expert advisor. If a premium image and stable governance are top priorities, the SA is often the preferred option.

4. Step 2: Incorporating and Funding Your Company

The Incorporation Process

1. **Drafting the Bylaws (Statutes)**
These legal documents define the purpose and structure of the company.
2. **Opening a Deposit Account**
Where you place the required minimum capital.
3. **Notarization and Registration in the Commercial Register**
This officially confirms the creation of your company.

Funding

- **Initial Capital:** Ensure you have sufficient funds (e.g., USD 8,000 to cover initial fees, then depositing the nominal share capital).
- **Monthly Budget:** Plan for about USD 500 per month for ongoing company maintenance (administration, domiciliation, etc.), depending on your activities.

Key to Success: Work with a knowledgeable service provider familiar with Swiss procedures and foreign-resident requirements, such as **Mercury Strategy**.

5. Step 3: Domiciliation and a Swiss Address

Every Swiss company must have:

- **A Registered Address**
Necessary for registration in the Commercial Register.
- **A Reliable Point of Contact**
For receiving official mail and notices.

Advantages of a Domiciliation or Virtual Office:

- Lower infrastructure costs
- Services for receiving, scanning, and forwarding correspondence
- Compliance with Swiss legal requirements for a business address

Key to Success: Verify that your domiciliation service maintains confidentiality and represents you appropriately before the authorities. See our **Mercury Strategy Service Agreement** for details.

6. Step 4: Setting Up an Effective CFO/Administration

Strong financial oversight is critical, especially if you are not based in Switzerland.

An external CFO or fiduciary service typically handles:

- Accounting (incoming/outgoing transactions, VAT, balance sheets)
- Financial and budget reporting
- Timely tax filings
- Relations with banks and official agencies

Key to Success: Choosing a monthly administration service (e.g., USD 500/month) ensures thorough tracking of obligations. This outsourcing is often more cost-effective than hiring locally and provides local expertise.

7. Step 5: Complying with Legal and Contractual Obligations

To maintain your company's credibility and status, you must:

- Keep accounting records compliant with Swiss standards (Swiss Code of Obligations)
- File tax returns and pay taxes on time
- Adhere to labor and social insurance regulations if hiring staff
- Follow the terms of your **Service Agreement** and **General Terms and Conditions**
- Renew or adapt your mandate if your business evolves or your objectives change

Key to Success: Communicate regularly with your fiduciary or external CFO to avoid missed deadlines or oversights. You remain responsible for the accuracy of the data and supporting documents you provide.

8. Conclusion & Contact

Owning a Swiss company as a non-resident can offer strategic benefits for your reputation and asset security. To fully enjoy Switzerland's advantages without costly mistakes, follow these five steps closely:

1. Choose the right legal structure
2. Incorporate and fund your company correctly
3. Ensure a reliable domiciliation service
4. Establish a solid CFO/administrative function
5. Comply with legal and contractual obligations

For more information or for assistance with your project, feel free to reach out to

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This white paper provides an overview of the main aspects of setting up and managing a Swiss company for non-residents. It does not replace personalized advice. Please refer to our contractual documents, our **General Terms and Conditions** on <https://mercury-strategy.com/legal>, or consult a professional for more comprehensive information.