

Crypto Taxes Switzerland - Tax Guide for 2024

The crypto market is very dynamic and poses particular challenges in the area of taxation. In Switzerland, one of the most crypto-friendly countries in the world, there are clear rules on how crypto assets are taxed. This blog article provides a comprehensive overview of the most important aspects of crypto taxation in Switzerland in order to avoid tax pitfalls.

Key Takeaways

1. **Cryptocurrencies as assets:** Cryptocurrencies such as Bitcoin and Ethereum are considered assets and must be declared in the annual tax return.
2. **Wealth tax:** The value of crypto assets is determined at the end of the tax year and is subject to wealth tax. This is based on the market value of the cryptocurrencies.
3. **Capital gains:** Profits from the sale of cryptocurrencies are generally tax-free for private individuals if no professional trading is involved.
4. **Income tax:** Income from mining, staking or other income from cryptocurrencies is subject to income tax and must be declared accordingly.
5. **Professional trading:** In the case of professional trading, profits from cryptocurrencies are subject to tax. The criteria for this include the frequency of transactions and the scale of the activities.

Taxing Cryptocurrencies in Switzerland - What You Need to Watch Out for!

When dealing with cryptocurrencies in Switzerland, there are some important aspects to consider in order to fulfill tax obligations correctly. Here is a brief summary before we go into detail:

Declaration in the tax return: Cryptocurrencies are considered private assets and must be declared in the tax return. This is typically done under the section "Securities and assets".

Determining the market value: The market value of cryptocurrencies at the end of the tax year is decisive for wealth tax purposes. This value is determined by the reference value published by the [Federal Tax Administration](#) (ESTV) or the market value of a recognized stock exchange.

Proof of transactions: Detailed records of all crypto transactions, including purchases, sales, exchanges and income are crucial. This documentation is important for correct declaration and possible audits by the tax authorities.

Income from cryptocurrencies: Income from mining and staking cryptocurrencies is considered income and must be taxed as such. This also applies to other forms of income from crypto activities, such as airdrops or hard forks.

Professional trading: If crypto transactions are classified as a commercial activity, they are subject to income tax. The criteria for classification as a professional trader include the frequency of transactions, the use of loans and the intention to make a profit from the transactions.

What Taxes Apply to Crypto in Switzerland?

In Switzerland, there are several tax models that can apply to cryptocurrencies. The following table provides an overview of the most important types of tax and their application to crypto assets:

Tax type	Description	Application on crypto
Wealth tax	Tax on a person's net assets	Crypto assets are taxed as part of assets
Income tax	Tax on a person's income	Income from mining, staking and other income
Capital gains tax	Tax on gains from the sale of assets	Profits from crypto sales are generally tax-free for private individuals, except in the case of professional trading
Donation tax	Tax on donations	Crypto gifts are subject to donation tax

Private Investor - Definition

A private investor is an individual who invests in cryptocurrencies without exercising this as a professional or commercial activity. In the context of Swiss tax laws, the distinction between private and commercial trading is crucial, as it has different tax consequences.

Characteristics of a private investor

- **Occasional transactions:** Cryptocurrency trading is sporadic and not systematic.
- **Self-funded investments:** The private investor uses only its own capital, without borrowed capital or loans to finance crypto transactions.
- **Long-term holding:** Cryptocurrencies are often held for longer periods (over 6 months) instead of being bought and sold frequently.
- **Limited trading volume:** The trading volume should not exceed five times the original portfolio value at the beginning of the tax year.

- **No systematic trading strategy:** There are no professional trading strategies or plans aimed at regular profits.

When is crypto trading considered commercial?

Trading in cryptocurrencies could be classified as commercial if the criteria for a private investor are not met. These include, but are not limited to:

- High transaction frequency
- Use of loans
- Systematic and planned approach
- Commercial infrastructure (e.g. expensive mining hardware)
- Intention to make a profit from the transactions

Info: Whether and which criteria apply must be checked individually, so it is advisable to consult a tax advisor if you are in doubt.

Wealth Tax on Cryptocurrencies

In Switzerland, cryptocurrencies are considered **private assets** and must be declared as part of personal wealth in the tax return. This applies to both private individuals and companies. Wealth tax is levied on the **total value of all assets** at the end of the tax year and varies depending on the canton.

What is considered an asset?

In Switzerland, assets are defined as objects or rights that have an **economic value** and are capable of generating income or can be converted into money. These include, for example

- Bank deposits
- Securities
- Cryptocurrencies
- Real estate
- Vehicles
- Valuable items

Valuation of cryptocurrencies

Cryptocurrencies are classified as **assets** and must be declared at their market value in the tax return at the end of the year. The market value is determined in Swiss francs, either by the reference value published by the [Federal Tax Administration](#) (ESTV) or the market value of a recognized stock exchange.

Capital Gains Tax on Cryptocurrencies

Capital gains from the sale of cryptocurrencies are generally tax-free for private individuals. This means that no capital gains tax is incurred on profits from the sale of for example

Bitcoin or Ethereum. However, there are exceptions for people who are classified as professional traders. They must pay tax on their capital gains as income.

Examples for capital gains on crypto in Switzerland

Example 1: Sale after one year of holding

- **Situation:** A private individual buys Bitcoin worth CHF 10,000 in January 2023. After more than a year in March 2024 it was sold for CHF 15,000.
- **Tax treatment:** The profit of CHF 5,000 is tax-free, as capital gains are not taxed for private individuals in Switzerland.

Example 2: Short-term sale

- **Situation:** A private individual buys CHF 5,000 worth of Ethereum in January 2023. In March 2023, it was sold for CHF 7,000.
- **Tax treatment:** The gain of CHF 2,000 is tax-free, as capital gains are not taxed for private individuals, regardless of the holding period.

Example 3: Several small transactions

- **Situation:** A private individual buys various cryptocurrencies with a total value of CHF 3,000 over the course of 2023 and sells them in several transactions for a total of CHF 4,500.
- **Tax treatment:** The total gain of CHF 1,500 is tax-free, as capital gains are not taxed for private individuals, even if there are multiple transactions involved.

Example 4: Airdrops

- **Situation:** A private individual receives new cryptocurrencies worth CHF 500 through an airdrop in 2023 and sells them later in the year for CHF 700.
- **Tax treatment:** The original value of the airdrop cryptocurrencies (CHF 500) is considered income and is subject to income tax. However, the additional profit of CHF 200 from the sale is tax-free.

Income Tax on Cryptocurrencies

In Switzerland, income tax is levied at both [federal and cantonal level](#) and applies to income generated from crypto activities. These include:

- Mining
- Liquidity mining
- staking
- Airdrops
- Inflow of cryptocurrencies through hard forks
- Payment with cryptocurrencies (e.g. salary payments)

Cantonal income tax

Cantonal tax rates vary depending on where you live, and it is important to know what the tax rate is in each canton. As a general rule, income from cryptocurrencies is subject to **cantonal income tax**.

Federal income tax in Switzerland

Federal income tax is progressive and increases with income. The maximum [federal income tax rate](#) is **11.5%** for high incomes. This tax rate applies in addition to cantonal and communal taxes, which can vary depending on where you live.

Example: Calculating crypto income tax

Example 1: Income from mining

Situation: A person earns income from mining Bitcoin worth CHF 20,000 in March 2023.

Tax treatment: The inflow of CHF 20,000 is declared as income at the time of receipt and is subject to both cantonal and federal tax.

Example 2: Income from staking

- **Situation:** A person earns 0.004 ETH per day from staking. These have a value of CHF 20 at the time of receipt.
- **Tax treatment:** The CHF 20 are declared as income at the time of receipt and taxed accordingly. This includes both cantonal income tax and federal tax.

Crypto Tax by Canton

The tax treatment of cryptocurrencies can vary from canton to canton. Income tax is made up as follows:

- Federal tax: up to 11.5 %
- Cantonal and municipal tax: 11.1 % to 31.8 %
- Total income tax: up to 45 % plus social security contributions

For reasons of clarity and simplicity, only the maximum [income tax rates](#) (including federal tax) and [wealth tax rates](#) of the respective cantons are listed below.

Info: The cantonal tax system is complex and varies depending on the specific municipality and may take into account different tax allowances and progressive or flat-rate tax rates.

Crypto Tax Canton Zürich

- **Wealth tax:** Depending on total assets, the tax rate is up to 0.3%.
- **Income tax:** Depending on the total income, the tax rate is up to 37.18%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Bern

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,125%.
- **Income tax:** Depending on the total income, the tax rate is up to 41,7%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Waadt

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,339%.
- **Income tax:** Depending on the total income, the tax rate is up to 41,5%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Aargau

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,21%.
- **Income tax:** Depending on the total income, the tax rate is up to 33,33%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton St. Gallen

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,17%.
- **Income tax:** Depending on the total income, the tax rate is up to 29,39%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Genf

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,135% or 0,45%.
- **Income tax:** Depending on the total income, the tax rate is up to 43,33%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Luzern

- **Wealth tax:** Depending on total assets, the tax rate is 0.075% per unit.
- **Income tax:** Depending on the total income, the tax rate is up to 30,03%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Wallis

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,3%.
- **Income tax:** Depending on the total income, the tax rate is up to 37,75%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Tessin

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,25%.
- **Income tax:** Depending on the total income, the tax rate is up to 37,64%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Freiburg

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,37%.

- **Income tax:** Depending on the total income, the tax rate is up to 33,37%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Basel-Landschaft

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,33%.
- **Income tax:** Depending on the total income, the tax rate is up to 40,73%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Thurgau

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,11%.
- **Income tax:** Depending on the total income, the tax rate is up to 30,60%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Solothurn

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,15%.
- **Income tax:** Depending on the total income, the tax rate is up to 33,45%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Graubünden

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,215%.
- **Income tax:** Depending on the total income, the tax rate is up to 30,20%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Basel-Stadt

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,808%.
- **Income tax:** Depending on the total income, the tax rate is up to 37,83%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Neuenburg

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,36%.
- **Income tax:** Depending on the total income, the tax rate is up to 38,90%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Schwyz

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,06%.
- **Income tax:** Depending on the total income, the tax rate is up to 22,59%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Zug

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,17%.
- **Income tax:** Depending on the total income, the tax rate is up to 22,67%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Schaffhausen

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,295%.
- **Income tax:** Depending on the total income, the tax rate is up to 28,33%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Jura

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,12%.
- **Income tax:** Depending on the total income, the tax rate is up to 38,47%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Appenzell Ausserrhoden

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,055%.
- **Income tax:** Depending on the total income, the tax rate is up to 29,57%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Glarus

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,03%.
- **Income tax:** Depending on the total income, the tax rate is up to 31,68%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Nidwalden

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,025%.
- **Income tax:** Depending on the total income, the tax rate is up to 24,30%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Obwalden

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,02%.
- **Income tax:** Depending on the total income, the tax rate is up to 25,73%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Uri

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,1%.
- **Income tax:** Depending on the total income, the tax rate is up to 26,06%.
- **Capital gains:** Tax-free for private individuals.

Crypto Tax Canton Appenzell Innerrhoden

- **Wealth tax:** Depending on total assets, the tax rate is up to 0,15%.
- **Income tax:** Depending on the total income, the tax rate is up to 25,38%.
- **Capital gains:** Tax-free for private individuals.

Differentiation by Type of Token

There are different types of coins and tokens, each can have different uses and tax treatments. Below is an overview of the most important types of tokens and their tax implications.

Bitcoin and Altcoins

- Bitcoin (BTC) is the first and best-known cryptocurrency. Altcoins are all other cryptocurrencies that were introduced after Bitcoin, such as Ethereum (ETH), Litecoin (LTC), and Ripple (XRP).
- They are considered assets and are subject to **wealth tax**.
- Capital gains from their sale are generally **tax-free** for private individuals.
- Income from e.g. mining or staking is subject to **income tax**.

Stablecoins

- Stablecoins are cryptocurrencies whose value is pegged to an official currency such as the US dollar. Examples are Tether (USDT) or USD Coin (USDC).
- Are also considered **assets**.
- The tax treatment is the same as for Bitcoin and altcoins.
- Profits from the sale are **tax-free** for private individuals. Income from e.g. lending or other activities with stablecoins is subject to **income tax**.

Non-Fungible Token (NFT)

To date, there are no clear and uniform regulations regarding the taxation of NFTs. The tax treatment is more complex and depends on the **individual case**; consultation with a [tax professional](#) for cryptocurrencies is therefore advisable. In principle, the following can be assumed:

- NFTs can represent artworks, collectibles or other unique digital goods.
- NFTs are considered **digital assets**.
- The value of NFTs must be determined at the end of the tax year and declared on the tax return.

Crypto Taxes in Switzerland by Transaction Type

Transaction type	Description	Tax treatment
Crypto Trading	Buying and selling cryptocurrencies	Capital gains tax-free for private individuals, except for commercial trading

Crypto Mining	Generation of cryptocurrencies through computing power	Income taxable as income
Crypto Staking	Locking cryptocurrencies to support the network and receive rewards	Income taxable as income
Crypto Lending	Lending cryptocurrencies for interest	Income taxable as income
Airdrop	Receiving free cryptocurrencies	Income taxable as income
Forks	Split of the blockchain and creation of two separate cryptocurrencies	Income taxable as income
ICOs & IEOs	Initial Coin Offerings and Initial Exchange Offerings	Capital gains tax-free for private individuals, except for commercial trading
Donation of cryptocurrencies	Donation of cryptocurrencies	Subject to donation tax

Crypto Trading Tax in Switzerland

When trading cryptocurrencies (buying and selling), the tax implications for private individuals are generally low, as capital gains are usually **tax-free**. However, commercial traders must pay tax on their profits as income.

Crypto Mining Tax in Switzerland

Earnings from the mining of cryptocurrencies is considered income and must be taxed when received. This applies to both professional miners and private individuals. The equivalent value in CHF is the basis for taxation.

Crypto Staking Tax in Switzerland

Earnings from the staking of cryptocurrencies are considered income and must be taxed upon receipt. The equivalent value in CHF is the basis for taxation.

Crypto Lending Tax in Switzerland

The interest earned is considered taxable income and must be taxed when received. The equivalent value in CHF is used as the basis for taxation.

Airdrop Tax in Switzerland

Airdrops in which free cryptocurrencies are distributed are also considered taxable income. The value of the cryptocurrencies received must be determined in CHF at the time of the airdrop and declared in the tax return.

Tax on Fork's in Switzerland

A fork creates a new cryptocurrency that is allocated to the holders of the original cryptocurrency. Coins received from a fork are considered income and must be taxed upon receipt. The equivalent value in CHF is used as the basis for taxation.

ICOs & IEOs Tax in Switzerland

The sale of cryptocurrencies from Initial Coin Offerings (ICOs) and Initial Exchange Offerings (IEOs) is **tax-free** for private individuals, as no capital gains tax is applicable.

Donating cryptocurrencies in Switzerland

Donating cryptocurrencies is subject to **donation tax**. The value of the cryptocurrencies donated must be determined and declared in the tax return. The amount of donation tax can vary from canton to canton and depends on the individual case.

Tax-saving strategies in Switzerland

When dealing with cryptocurrencies, there are various strategies for optimizing the tax burden. The following are some basic approaches.

Federal tax allowance

In Switzerland allowances apply for federal tax purposes, which reduce the taxable income and therefore the tax burden. Relevant allowances include:

- General deduction: a basic allowance that is deducted from taxable income.
- Social deductions: Deductions for children, single people, single parents and married people.

By utilizing these allowances, taxable income can be reduced and the tax burden lowered.

Exemption from capital gains tax

Capital gains from the sale of cryptocurrencies are generally tax-free for private individuals in Switzerland. This tax exemption offers a considerable opportunity to reduce the tax burden, as profits from trading in cryptocurrencies do not have to be taxed as long as there is no commercial activity.

Wealth tax allowance

There are also allowances for wealth tax that can be used to reduce the tax burden. The amount of these allowances varies from canton to canton. It is important to learn about the specific allowances in your canton of residence and take them into account when filing your tax return.

Switzerland: Tips and Tricks on Crypto & Bitcoin Tax

The taxation of cryptocurrencies in Switzerland can be complex, but with a few practical tips, tax obligations can be fulfilled more easily and taxes may even be saved.

Detailed documentation

Keeping detailed records of all crypto transactions is crucial to ensure correct tax calculations at the end of the year and to avoid losing track:

- **Purchases and sales:** Date, quantity, price and parties involved.
- **Income from mining and staking:** Type of activity, quantity of coins received, value at the time of receipt
- **Airdrops and forks:** Date and value of cryptocurrencies received.

Using tax allowances

Switzerland offers various tax allowances that can be used:

- **Federal tax allowance:** Reduces the taxable income.
- **Wealth tax allowance:** Depending on the canton, reduces the amount of taxable assets.

Optimize by investing long term

Capital gains from the sale of cryptocurrencies are tax-free for private individuals in Switzerland. It can therefore be advantageous to hold cryptocurrencies for the long term instead of frequently carrying out short-term transactions (see "[When is crypto trading considered commercial?](#)")

Using a crypto tax calculator

With a large number of transactions and the use of different exchanges and wallets it is easy to lose track, which makes the use of [crypto tax calculators](#) almost a must. These tools help to automatically record all crypto activities and tax-relevant events, making things much easier.

Consult a tax professional

An [experienced tax advisor](#) can help you understand the complex tax requirements associated with cryptocurrencies and make the best possible tax decisions.

Does the ESTV Know About my Crypto Holdings?

The Federal Tax Administration (ESTV) does not automatically receive information about personal crypto holdings. However, you are obliged to declare these assets in your tax return. Crypto holdings could be discovered during a tax audit if they have not been declared correctly, which could result in severe penalties.

Declaration in the Tax Return

The declaration of cryptocurrencies in the Swiss tax return requires the completion of certain forms. The submission deadlines vary depending on the canton, but are generally between the **end of March** and the **end of April** of the following year. It is also possible to **extend the deadline**.

Declare cryptocurrencies as assets

Cryptocurrencies must be declared as part of the annual tax return in the “**Wertschriften- und Guthabenverzeichnis**”. In this form, each cryptocurrency is declared with its value at the end of the year in Swiss francs.

- Example: “Bitcoin (BTC), 2 BTC, value: CHF 30,000 (as at 31.12.2023)”
- Example: “Ethereum (ETH), 5 ETH, value: 10,000 CHF (as at 31.12.2023)”

The value of cryptocurrencies is determined either by the [reference value](#) published by the Swiss Federal Tax Administration or the market value of a recognized exchange.

Declaring income from crypto activities

Income from mining, staking, airdrops and other crypto activities is declared in the **general income tax form**.

Private investors declare this income under the category “**Einkommen aus beweglichem Vermögen**”.

Info: Further information and the corresponding forms can be found on the websites of the cantonal tax administrations and the [Federal Tax Administration](#).

Info: Failure to meet the submission deadline will result in reminder fees.

Taxation of Cryptocurrencies Outside of Switzerland

The tax treatment of cryptocurrencies varies considerably around the world. Here is some of the most important information on the taxation of cryptocurrencies in Germany, Austria and Europe.

Crypto Tax in Germany

In [Germany](#), profits from the sale of cryptocurrencies made within one year of purchase are taxed as income. Profits made after a holding period of more than one year are tax-free.

Crypto Tax in Austria

Profits from cryptocurrencies are considered capital gains in [Austria](#) and are taxed at a rate of 27.5%. Crypto-to-crypto transactions are not taxed directly. Taxes are only incurred when cryptocurrencies are exchanged for fiat currencies, goods or services.

Crypto Tax in Europe

There are no harmonized regulations on the taxation of cryptocurrencies in Europe. Each country has its own tax rules and approaches to taxing crypto assets. While some countries have specific tax rates and regulations for cryptocurrencies, others treat them like conventional investments. This means that the tax treatment of cryptocurrencies can vary significantly from country to country and it is important to be aware of the specific regulations. We provide [tax guides](#) for various countries on our website.

Frequently Asked Questions About the Taxation of Cryptocurrencies in Switzerland

How can I avoid capital gains tax?

Capital gains from the sale of cryptocurrencies are tax-free for private investors. Long-term investments, the avoidance of frequent transactions and the use of own funds are characteristics of a private investor.

How does the tax office find out about cryptocurrencies?

The tax office finds out about cryptocurrencies through the declaration in the tax return. During a tax audit, bank transactions may also be checked and data may be requested from crypto exchanges. It is important to declare all crypto holdings correctly.

How are cryptocurrencies taxed in Switzerland?

Cryptocurrencies are subject to wealth tax and must be declared as assets. Earnings from mining, staking and airdrops are subject to income tax. Capital gains are generally tax-free for private investors.

What types of income tax apply in Switzerland?

There is federal, cantonal and communal income tax. The rates are progressive and vary depending on the canton and commune.

Can crypto losses be deducted from tax?

Losses from crypto transactions in private assets cannot be deducted. Commercial traders can deduct losses if they are classified as such.

Conclusion

The taxation of cryptocurrencies in Switzerland offers many advantages for private individuals, in particular through the tax exemption of capital gains. Nevertheless, it is important to declare all relevant income and assets correctly in order to avoid tax pitfalls. Tools such as [CoinTracking](#) help to keep track of crypto transactions and prepare all the necessary data for the tax return.

Resources

<https://www.estv.admin.ch/estv/de/home/direkte-bundessteuer/fachinformationen-dbst/kryptowaehrungen.html>

<https://www.estv.admin.ch/estv/de/home/die-estv/steuersystem-schweiz/kantonsblaetter.html>

<https://kpmg.com/ch/de/home/dienstleistungen/tax/swiss-taxes.html>