Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Federal Department of Finance FDF

Federal Tax Administration FTA
Main Value Added Tax Division

VAT Sector Info 27

Electronic platforms

VAT Sector Info 27: Electronic platforms

Preliminary remarks

Abbreviations

Art.	Article
CC	Swiss Civil Code of 10 December 1907 (SR 219)
CO	Federal Act of 30 March 1911 on the Amendment of the Swiss Civil Code (Part Five: Code of Obligations; SR 220)
FOCBS	Federal Office for Customs and Border Security
FTA	Federal Tax Administration
let.	letter
OECD	Organisation for Economic Co-operation and Development
para.	paragraph
SR	Classified Compilation of Federal Legislation
UCA	Federal Act of 19 December 1986 on Unfair Competition (SR 241)
UID	Unique business identification number
VAT	Value added tax
VAT no.	Taxpayer's value added tax number
VATA	Federal Act of 12 June 2009 on Value Added Tax (SR 641.20)
VATO	Value Added Tax Ordinance of 27 November 2009 (SR 641.201)

Tax rates valid from 1 January 2018 to 31 December 2023:
Normal rate: 7.7%; reduced rate 2.5%; special rate 3.7%.

Tax rates valid from 1 January 2024:
Normal rate: 8.1%; reduced rate 2.6%; special rate 3.8%.

Introductory explanations

This VAT Sector Info is based on the Federal Act on Value Added Tax (VAT Act), which came into force on 1 January 2010 and was partially revised on 1 January 2025, as well as on the associated VAT Ordinance.

For detailed information on tax, statement and accounting duties, please refer to the relevant FTA publications (particularly the VAT Info on tax liability, VAT Info on taxable supplies, VAT Info on the place of supply, VAT Info on tax returns and payment and VAT Info on accounting and invoicing). Those VAT Infos are available only in the official languages German, French and Italian. The links lead to the German versions of the listed publications.

Validity

This VAT Sector Info applies from 1 January 2025.

Material adjustments (practice clarifications or practice changes) and corrections of important translation errors are published on an ongoing basis. However, earlier versions of amended sections can still be found in the online database. Purely editorial, formal or technical adjustments (e.g. new links) which do not change the material content are made on an ongoing basis and are not communicated separately.

Please note the VAT Info on the temporal effect of practice rules (available only in the official languages German, French and Italian).

English is not an official language of the Swiss Confederation. This translation is provided for information purposes only and has no legal force.

1 Scope of application of platform taxation

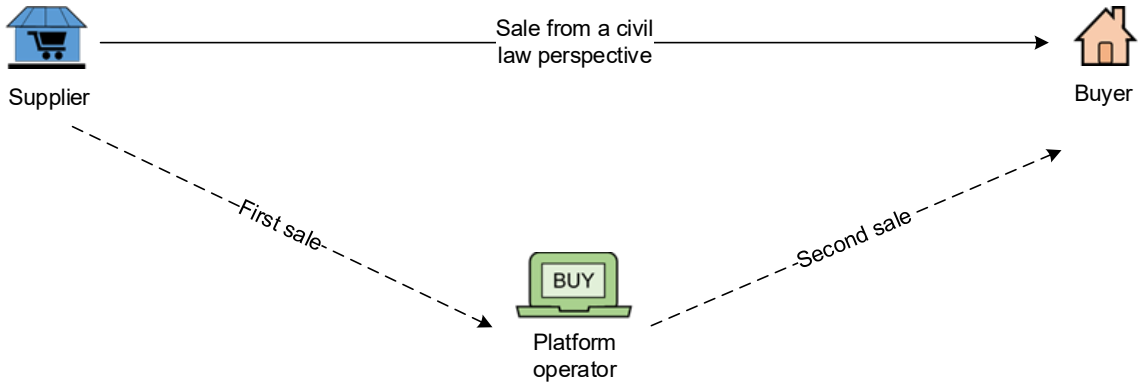
1.1 Principle (Art. 20a of the VATA)

A supply is deemed to be made by the person who appears to the outside world to be the supplier (Art. 20 para. 1 of the VATA). If more than one person can be considered as the supplier (particularly in the case of three-party relationships), the supply is attributed to the person who acts as the supplier in their own name. This also applies if a person acts as an indirect representative for a third party (Art. 20 para. 3 of the VATA).

☞ For the allocation of supplies, see VAT Info: Object of taxation.

By way of derogation from the principle that the person appearing outwards is deemed to be the supplier, sales of goods (Art. 3 let. d no. 1 of the VATA) where the seller and purchaser are brought together to conclude a contract on an electronic platform (Art. 3 let. l MWSTG) are to be allocated to the platform operator as the supplier in accordance with Art. 20*a* of the VATA (☞ see section 1.2 on the term "platform operator"). From a VAT perspective, there are two supplies, provided the requirements of Article 20*a* of the VATA are met:

- A first supply from the seller to the platform operator; and
- a second supply from the platform operator to the purchaser.



The allocation of sales to the platform operator in accordance with Article 20*a* of the VATA may result in it being liable for tax. Platform operators with no connection to the Swiss territory (registered office, permanent establishment or domicile abroad, and no provision of services on Swiss territory) are not subject to VAT in Switzerland (Art. 10 para. 1 of the VATA).

If a platform operator is liable for tax and the place of supply is on Swiss territory, the platform operator is liable for VAT on such supplies it facilitates within the meaning of Article 20*a* paragraph 1 of the VATA. In particular, the platform operator subject to tax is obliged to declare and pay the VAT debt to the FTA (☞ section 3). Upon request, the platform operator subject to tax must issue the purchaser an invoice that fulfils the legal requirements (☞ section 2.7).

Depending on the circumstances, the first supply between the seller and the platform operator subject to tax is deemed to be exempt from tax (Art. 23 para. 2 no. 13 of the VATA) or to have been made abroad.

Platform operators, including those that facilitate services other than those under Article 3 letter d number 1 of the VATA, are third parties obliged to provide information in accordance with Article 73 paragraph 2 letter e of the VATA (☞ Ziff. 3.5).

1.2 Identity and definition of the platform operator

The platform operator makes the platform and its functionalities available to sellers and purchasers. In the event of uncertainties regarding the identity of the platform operator, the identity information in accordance with the obligation to provide contact details (Art. 3 para. 1 let. s of the UCA), the general terms of use and/or the (commercial) collection of commission charged for transactions concluded on the platform must be referred to.

Here, the term "platform operator" is used if the conditions for platform taxation in accordance with Article 20*a* of the VATA are met (☞ section 1.3). Other platform operators are referred to as "operators of an electronic interface" (Art. 3 let. l of the VATA).

1.3 Requirements for the allocation of a supply in accordance with Article 20*a* of the VATA

1.3.1 Overview

For each transaction on the platform, it must be checked separately whether the platform operator facilitates a supply of goods in accordance with Article 20*a* paragraph 1 of the VATA and is therefore deemed to be a supplier. The term "facilitate" refers to the use of a platform with the aim of bringing purchasers and sellers together so that they can conclude purchase contracts via the platform.

The prerequisites for Article 20*a* paragraph 1 of the VATA to apply are

- the transaction to be assessed constitutes a **sale of goods within the meaning of Article 3 letter d number 1 of the VATA** (☞ section 1.3.2);
- the platform operator brings the seller and the purchaser **together on the platform** (☞ section 1.3.3); and
- the sale is concluded **via this platform** (☞ section 1.3.4).

1.3.2 Sale of goods (Art. 3 let. d no. 1 of the VATA)

The scope of application of Article 20*a* of the VATA is limited to **supplies of goods within the meaning of Article 3 letter d number 1 of the VATA ("sales of goods")**. Other supplies in accordance with Article 3 letter d of the VATA, such as the supply of goods on which work has been carried out and the provision for use or exploitation, as well as services in accordance with Article 3 letter e of the VATA, are not subject to platform taxation.

The provisions on the majority of supplies under Article 19 of the VATA are applicable (☞ VAT Info: Object of taxation).

Application of Article 20*a* of the VATA does not depend on where the platform operator has its registered office, which can be on Swiss territory or abroad. In the case of imported goods, platform taxation applies to both small consignments and all other consignments.

The exemption for the import of goods for which the amount of import tax does not exceed CHF 5 per assessment decision (small consignments) remains applicable, also in connection with platform taxation (Art. 53 para. 1 let. a of the VATA and FDF Ordinance of 2 April 2014 on the tax-exempt import of goods in small quantities, of insignificant value or with a negligible tax amount [SR 641.204]).

1.3.3 Bringing the sellers together with purchasers (Art. 20*a* para. 1 of the VATA)

Platform taxation under Article 20*a* of the VATA only applies if the platform operator **"brings sellers together with purchasers on the platform"** to conclude a contract.

If the platform operator sells goods on the platform in its own name, there is no bringing together of seller and purchaser. These supplies are not allocated to the platform operator under platform taxation in accordance with Article 20*a* of the VATA, but rather in accordance with the general allocation rules of Article 20 of the VATA. Platform taxation under Article 20*a* of the VATA therefore applies only to supplies where the platform operator acts on behalf of and for the account of the seller.

The following indications suggest that the platform operator brings the sellers together with purchasers to conclude a contract on the platform it operates:

- The platform has a function necessary for ordering the goods or initiating the purchase process (placing the goods in a shopping basket). If the platform only offers the possibility of forwarding to another interface (e.g. website), there is no bringing together.
- Information about the order and payment (price to be paid, items, additional costs, payment deadline, payment methods, etc.) is communicated directly to the purchaser on the platform.
- The invoicing process starts on the electronic interface.
- The purchaser's personal data and/or payment details are stored on the platform.
- The platform operator first collects the purchase amount for the item sold and then forwards it to the seller. The purchaser does not make a direct payment to the seller.
- The platform operator authorises the supply or instructs the seller or a third party to supply the goods.
- The platform operator may cancel the sale without the seller's approval if the goods are not accepted by the purchaser as intended.
- The platform operator charges the seller a fee or commission based on the order value.

On the other hand, there is no bringing together if the platform operator has no contact or no possibility of contact with the purchaser (Art. 20*a* para. 2 let. a and b of the VATA; ☞ sections 1.4.2 and 1.4.3). This is the case, for example, if the electronic interface is only used as a means of communication between the seller and the purchaser with regard to the conclusion of a transaction (without the platform operator having knowledge of the essential points of the contract or being able to easily obtain such knowledge), or if only hosting services are provided (e.g. via a content management system specialised in online commerce).

Example 1
ShopHere GmbH offers goods from other providers online and in its own name. The purchase contracts that are concluded online on the website are concluded between ShopHere GmbH and the purchasers. ShopHere GmbH clearly mentions the identity and contact details of the supplier of the goods on its website.
An order confirmation is sent to the purchasers, but no invoice is issued. Purchasers receive a pro forma invoice from the respective supplier.

Even if ShopHere GmbH mentions the identity of the supplier of the item and this supplier sends the purchaser a pro forma invoice, ShopHere GmbH makes the sales in its own name. The supply is therefore attributed to it in accordance with Article 20 paragraph 1 or 3 of the VATA. ShopHere GmbH is therefore not treated as if it had brought the seller and purchaser together on a platform to conclude a contract. Platform taxation under Article 20a of the VATA therefore does not apply to ShopHere GmbH with regard to these transactions in its

own name. The contract is not concluded on the platform between the sellers and the purchasers, but between ShopHere GmbH and the purchasers.

Example 2
WebShopMacher AG provides sellers with tools with which they can create and customise their own electronic interface. The interface is maintained independently by the sellers ("Create your online shop"). As part of this, WebShopMacher AG offers the option of integrating modules that enable order confirmation and online payment (online shop app or market tools) in addition to accounting or statistical tools.

Although WebShopMacher AG provides the software tools that enable sellers to conclude online sales and hosts the websites and applications developed by these sellers as well as their data, WebShopMacher AG does not bring sellers and purchasers together on a platform to conclude contracts. It does not intervene in the sales process and has no direct connection to the purchasers.

1.3.4 Concluding a contract on the platform

To **conclude a contract on the platform**, the seller usually publishes an offer to sell an item. Potential purchasers view the offer on the platform and initiate the purchase process or, in the case of auctions, submit a purchase offer. If this purchase process or the bid is accepted at the auction on the platform, the contract is deemed to have been concluded on the platform. The fact that the seller may have to confirm the conclusion of the contract on the platform does not change this.

If essential elements of the purchase contract (e.g. the quantity of goods ordered or the price) are subsequently agreed directly between the seller and the purchaser, the contract is not deemed to have been concluded on the platform.

If several platforms or different platform operators are involved in the ordering process, only the operator of the platform on which the order is concluded is deemed to be the supplier. However, for Article 20*a* of the VATA to apply, it is not decisive whether the physical delivery of the goods (transport) is organised or carried out by the same platform operator.

Example 1
The MusicsaleForYou platform is well-known among music lovers. You can find records for every taste and budget. Users register on the platform and can offer their records for sale or buy records from other users. The records can be reserved by clicking on the "Buy" button. The purchaser receives an "order summary" with an estimate of the postage costs and other fees. To finalise the order, the purchaser must accept the order summary by clicking on it. At this point, the contract is deemed to have been concluded via the platform. The fact that the final delivery costs are not yet known does not change this. The operator of the electronic interface is deemed to be the supplier under Article 20a of the VATA.

Example 2
The BaustoffRadar.ch platform enables suppliers to provide offers for building materials. The platform is highly valued by construction companies as it allows them to compare prices easily. Once an offer has been selected, the interested construction company or supplier contacts the other party directly to negotiate the specific details of the offer (specific price including any discounts, quantity, delivery date, etc.). The invoice is paid directly to the supplier.

The operator of the electronic interface has no knowledge of the quantity of goods delivered nor of the specific purchase price. Platform taxation in accordance with Article 20a of the VATA does not apply. However, if the operator of the electronic interface is responsible for issuing the final invoice, and if it collects a sales-based commission for this, it is deemed to be the supplier in accordance with Article 20a of the VATA.

1.4 Cases in which platform taxation does not apply (Art. 20*a* para. 2 of the VATA)

1.4.1 Overview

Article 20a paragraph 2 of the VATA contains a list of criteria that are used to exclude the allocation of supplies to the operator of the electronic interface. **If one of these criteria is met, the operator is not deemed to be a supplier under Article 20*a* paragraph 1 of the VATA.**

An operator of an electronic interface is not deemed to be a supplier if it:

a. is neither directly nor indirectly involved in the ordering process (☞ section 1.4.2);
b. does not generate any turnover that is directly related to the transaction (☞ section 1.4.3);
c. only carries out the payment processing for the supply;
d. merely provides advertising space;
e. merely provides advertising services; or
f. merely redirects or forwards purchasers to other electronic platforms.

1.4.2 No involvement in the ordering process

If the operator of the electronic interface is neither directly nor indirectly involved in the supply between the seller and the purchaser and the supply is therefore made completely independently, the operator is not subject to platform taxation (Art. 20*a* para. 2 let. a of the VATA). In the course of its business activities, it does not obtain any knowledge of whether or when a supply is provided, how much the consideration for the supply is or what the destination is.

If, on the other hand, the operator of the electronic interface can influence whether, when or under what conditions the purchaser can acquire the goods it wishes to purchase or when or under what conditions it must make payment for these goods, Article 20*a* paragraph 2 letter a of the VATA is not applicable.

1.4.3 No turnover directly related to the transaction

The operator of the electronic interface is not deemed to be a supplier under Article 20*a* of the VATA if it does not generate any turnover that is directly related to the sales transaction. This is in particular the case if the seller can use the platform free of charge or if it pays a predetermined fee for this use that is independent of the turnover generated. If the operator finances its activities by providing other services (e.g. through advertising services or by the seller having to pay a fee to appear in the top search results), this also does not constitute turnover that is directly related to the sale.

1.5 Application scenarios

1.5.1 Food deliveries via a platform

As Article 20*a* of the VATA covers all supplies of goods within the meaning of Article 3 letter d number 1 of the VATA, food deliveries may also be subject to platform taxation.

Transport to the purchaser is considered an ancillary service to the food delivery (Art. 19 para. 4 of the VATA). Therefore, for tax purposes, the transport is treated in the same way as the food delivery as the main supply of goods. This applies regardless of whether the food is transported by the platform operator or the seller.

1.5.2 Sales by debt collection and bankruptcy offices

The debt collection and bankruptcy offices, and third parties authorised by them, can sell items online as part of enforcement proceedings (online auctions). If the relevant electronic interface is operated by the office in question (or the third party), Article 20*a* of the VATA does not apply to the items sold.

If no self-operated electronic interface is used for the sale of the goods, it must be determined whether Article 20*a* of the VATA applies. The operator of the corresponding electronic interface may be subject to platform taxation if the conditions are met (☞ section 1.3).

1.5.3. Public auctions

If it is possible to bid online at an auction that takes place in an auction room and is moderated by an auctioneer, Article 20*a* of the VATA does not apply. In such cases, a contract is not concluded on the platform (☞ section 1.3.4). The contract is concluded in the auction room when the auctioneer knocks down the item to the highest bidder.

1.5.4. Electricity and other energy exchanges

For VAT purposes, electricity, gas, heating, cooling and the like are deemed to be goods that can be sold (Art. 3 let. b of the VATA). If the requirements are met (☞ section 1.3), platform taxation in accordance with Article 20*a* paragraph 1 of the VATA applies.
An operator of an electronic interface is not deemed to be a supplier within the meaning of Article 20*a* para. 1 of the VATA if it does not generate turnover that is directly related to the transaction processed via the platform (Art. 20*a* para. 2 let. b of the VATA; ☞ section 1.4.3).

Electricity exchange operators do not generally qualify as suppliers under Article 20*a* paragraph 1 of the VATA because the seller sells the electricity to a clearing centre and the clearing centre resells the electricity to the purchaser without the electricity exchange operator being involved. The clearing centre also does not qualify as a supplier under Article 20*a* paragraph 1 of the VATA, as it does not operate a platform and does not act as an intermediary, but in its own name. In general, purchasers and sellers do not know each other.

☞ For the main points, see the VAT Sector Info: Electricity in pipelines, gas via the natural gas distribution network and district heating.

1.6 Temporal scope of application

Provided the conditions set out in Article 20*a* of the VATA are met, platform taxation applies to contracts concluded on the platform from 1 January 2025. Article 20*a* of the VATA does not apply to contracts concluded up to 31 December 2024, even if the supply of goods takes place from 1 January 2025.

In addition, the transitional provision of Article 115*b* paragraph 2 of the VATA must be observed, according to which the tax liability for suppliers under Article 20*a* of the VATA who supply goods into Swiss territory that are exempt from import tax due to the small tax amount (small consignments) begins on 1 January 2025 if

- they generated a turnover of at least CHF 100,000 with the supply of small consignments in 2024; and
- it can be assumed that they will also make such supplies in 2025.

2 Tax treatment of supplies

2.1 Supplies via platforms by sellers subject to tax

2.1.1 Imported goods

In the case of supplies of goods that are imported into Swiss territory, the first supply between the seller and the platform operator subject to tax is deemed to have been made abroad and is therefore not liable to domestic tax. It is not necessary for the seller to issue an invoice to the platform operator for VAT purposes.

The second supply from the platform operator to the purchaser is subject to domestic tax, provided that:

1. the platform operator reaches the annual turnover limit of CHF 100,000 for small consignments imported into Swiss territory (own supplies and supplies that the platform operator has facilitated within the meaning of Article 20*a* of the VATA); or
2. the platform operator requests that the declaration of subordination (abroad) be used (☞ VAT Info: Place of performance and forms no. 1235/1236).

If the second supply is subject to domestic tax, the platform operator is the person who must be listed as the importer (for VAT purposes) in the import customs declaration (☞ section 4.1). If the import tax is due, the platform operator can make use of the transfer procedure (☞ section 4.2).

The second supply between the platform operator subject to domestic tax and the purchaser is also subject to the tax if the seller fulfils one of the two conditions of Article 7 paragraph 3 of the VATA and agrees with the platform operator that it will import the goods in its own name (Art. 111*b* of the VATO). In this case, the first supply by the seller to the platform operator subject to tax – which is deemed to have been made within Swiss territory – is exempt from VAT in accordance with https://www.fedlex.admin.ch/eli/cc/2009/615/de - art_23Article 23 paragraph 2 number 13 of the VATA (for more information ☞ section 4.3).

2.1.2 Domestic supplies

The first supply between the seller and the platform operator subject to tax is exempt from tax in accordance with Article 23 paragraph 2 number 13 of the VATA, provided that the

person who facilitated the supply is deemed to be a supplier under Article 20*a* of the VATA (platform operator) and is entered in the Register of Taxable Persons.

To prove exemption, the seller is dependent on the information provided by the platform operator. This information can be provided to the seller in the form of a summary/list of the supplies made via the platform – with reference to Article 20*a* of the VATA. Such a summary/list is considered sufficient proof for the tax exemption. If the platform operator also acquires goods from the same seller that it resells in its own name, these must be listed separately – provided they are mentioned in the same invoice (supply overview) as the supplies within the meaning of Article 20*a* of the VATA.

The seller can – with the consent of the platform operator – waive the tax exemption for its supply to the platform operator (Art. 43*a* of the VATO) by invoicing the VAT. A seller is free to decide whether to pay tax on its supply to the platform operator without the consent of the platform operator if an administrative measure has been ordered against the platform operator (Art. 43*a* of the VATO; ☞ section 5). If the conditions are met, the platform operator subject to may can deduct the tax invoiced to it as input tax (Art. 43*a* para. 2 of the VATO).

The second supply from the platform operator to the purchaser is subject to domestic tax unless a tax exemption without credit (Art. 21 of the VATA) or tax exemption (Art. 23 of the VATA) applies.

2.1.3 Exports

If the goods are transported or sent abroad directly, the supply by the platform operator is exempt from tax (Art. 23 para. 2 no. 1 of the VATA). If the platform operator has no information about where the item is located at the time of sale, it may assume that its supply is not subject to VAT, if

- the delivery address provided by the purchaser is abroad; or
- the purchaser's place of residence or registered office is abroad (if the delivery address is not or cannot be readily known to the platform operator).

The FTA reserves the right to check with sellers whether they have corresponding proof of their tax-exempt supplies. If such proof cannot be provided, the tax will be levied on the seller.

2.2 Supplies via platforms by sellers not subject to tax

2.2.1 Principle

If the seller is not subject to tax, its supply to the platform operator is not subject to tax.

For the tax treatment of the supply from the platform operator to the purchaser, please refer to section 1.1.

2.2.2 Deduction of notional input tax (Art. 28*a* of the VATA)

The platform operator subject to tax can deduct a notional input tax on a supply from a seller who is not subject to tax if it purchases customisable movable goods as part of their business activity that entitles it to deduct input tax. The deduction is only possible if no VAT is openly transferred (Art. 28*a* para. 1 of the VATA).

The platform operator can claim the deduction of the notional input tax if the seller of the item is domiciled on Swiss territory and is not entered in the Register of Taxable Persons. In this case, the platform operator may rely on the information provided by the seller.

☞ The VAT Info: Input tax deduction and input tax corrections provides further information on the concept of customisable movable goods.

The notional input tax can be claimed at the time the goods are sold on the platform.

The assessment is based on the amount of the consideration for the first supply from the seller to the platform operator. The amount of this consideration depends on the platform operator's commission/margin (☞ section 2.4):

- If the platform operator does not pay tax on its commission/margin, the purchase price corresponds to the amount paid to the seller (see example 1).
- If the platform operator charges the seller VAT for the use of the platform, this commission is generally subject to VAT. The purchase price corresponds to the amount paid by the purchaser (excluding VAT; see example 2).

The purchase price calculated in this way includes tax. It forms the assessment basis for the notional input tax deduction. The notional input tax amount is calculated at the VAT rate applicable at the time of purchase (Art. 28*a* para. 2 of the VATA).

☞ VAT Info: Input tax deduction and input tax corrections provides more detailed information on how to proceed.

Example 1
Gabrielle, who is not registered as a taxpayer, sells her used snowboard for CHF 500 via an online platform. The platform operator retains a commission of CHF 100 for the use of the platform.

In order to declare the sale in the VAT declaration, the platform operator calculates the VAT on the amount paid by the purchaser but deducts the notional input tax calculated on the basis of the amount paid to the seller.

Sales price on the platform (deemed to include VAT): CHF 500
VAT to be declared by the platform operator:
(CHF 500 ÷ 108.1% x 8.1%): CHF 37.45

Commission of 20% of the sales price retained by the platform operator: CHF 100
Amount paid to the seller: CHF 400
Permissible deduction of notional input tax:
(CHF 400 ÷ 108.1% x 8.1%): CHF 29.95

VAT to be paid by the platform operator to the FTA: CHF 7.50

Example 2
Gabrielle, who is not registered as a taxpayer, sells her used snowboard for CHF 500 via an online platform. The platform operator issues the seller with an invoice for the use of the platform totalling CHF 100 (including VAT).

VAT owed by the platform operator on the sale:
(CHF 500 ÷ 108.1% x 8.1%): CHF 37.45

VAT on the retained commission of 20%:
(CHF 100 ÷ 108.1% x 8.1%): CHF 7.50

Permissible deduction of notional input tax:
(CHF 500 ÷ 108.1% x 8.1%): CHF 37.45

VAT to be paid by the platform operator to the FTA: CHF 7.50

2.2.3 Primary producer deduction (Art. 28 para. 2 of the VATA)

When purchasing primary products (agricultural, forestry, horticultural, livestock or milk products) from primary producers who are not subject to tax (farmers, foresters, gardeners, livestock dealers or milk collection centres), the platform operator subject to tax may deduct a (notional) input tax of 2.6% of the amount invoiced to it.

All of the following requirements must be met in order to assert a claim:
- The place of residence or registered office and the premises of the primary producer are located on Swiss territory.
- The purchase is made from a primary producer who is not subject to tax. The fact that the VAT is not shown on the supplier invoice is sufficient proof of this.

☞ VAT Info: Input tax deduction and input tax corrections

2.2.4 Margin taxation (Art. 24*a* of the VATA)

A platform operator that facilitates the sale of collector's items such as works of art, antiques or similar items can apply margin taxation in accordance with Article 24*a* of the VATA. The prerequisites are that the seller of the item is domiciled on Swiss territory and is not entered in the Register of Taxable Persons (Art. 48*e* of the VATO). To determine whether an item is a collector's item, the platform operator can rely on the information provided by the seller.

☞ For information on the requirements and the application of margin taxation, see VAT info: Tax assessment and tax rates.

The platform operator subject to tax must keep a list of sales to which margin taxation has been applied. For control purposes, the platform operator must be able to provide information on the sale and the seller for each sale.

A seller subject to tax who supplies tax-exempt goods via the platform cannot apply margin taxation.

2.3 Tax assessment

2.3.1 Assessment basis (Art. 24 para. 5bis of the VATA)

Even if the purchase contract is concluded via a platform, the platform operator is generally dependent on the information provided by the seller on the amount of the consideration to be paid by the purchaser for the purchase and delivery of the goods for the transaction it facilitates.

In accordance with Article 24 paragraph 5bis of the VATA, the platform operator's liability for payment is limited to the **VAT due on the value that the platform operator has communicated to the purchaser of the goods** (including any transport costs, freight costs, customs duties, etc.). The platform operator does not owe VAT on any payment exceeding this amount – for example, because the purchaser has paid the seller a higher price directly without the platform operator knowing or being able to know about this.


Ancillary services to the delivery (especially if they are included in the price paid by the purchaser, such as the transport of the goods to the destination) can be treated in the same way as the main supply (sale of the goods).

2.3.2 Reduction of consideration (Art. 41 of the VATA)

A reduction of consideration occurs when a recipient pays a supplier a lower amount than was invoiced to it – e.g. due to discounts, price reductions or defects.


The VAT Info: Object of taxation provides further information on the qualification of refunds as a reduction of consideration or compensation.

In the case of sales by platform operators in accordance with Article 20*a* paragraph 1 of the VATA, proof of a reduction of consideration can be provided by refunding the corresponding amount to the purchaser or by issuing a credit note that can be offset against the purchaser's next order. It is irrelevant whether the refund is made by the platform operator or by the seller. Proof of the item being returned is not required. The principles of freedom of proof and of free consideration of evidence apply (Art. 81 para. 3 of the VATA).

If the platform operator can prove that the purchaser has benefited from the reduction of consideration (discount, price reductions, etc.), it can claim this in its VAT return.

2.4 Platform operator's margin/commission

Any consideration for services provided by the platform operator to the seller that are dependent on the conclusion of a contract on the platform and are therefore only owed if a contract is concluded on the platform, is deemed to be the platform operator's margin. As such, it is not taxable in addition to the selling price of the item. The VAT due on the margin is already included in the VAT amount invoiced to the purchaser.

If the platform operator invoices supplies that are owed regardless of whether a contract is concluded on the platform, the remuneration for these supplies is not considered to be included in the platform operator's margin. It is remuneration for an independent service and is to be treated in accordance with its VAT qualification.

In their VAT return, sellers subject to tax must declare only the amount that they actually receive (amount paid by the purchaser less the platform operator's margin) as a non-taxable supply (supplies abroad; section 2.1.1) or an exempt supply (Art. 23 para. 2 no. 13 of the VATA).

If the platform operator and the seller agree that the seller will pay tax on its services (section 2.1.2; Art. 43*a* of the VATO), the platform operator may deduct the VAT invoiced to it as input tax within the scope of its business activity, and subject to Articles 29 und 33 of the VATA (on the basis of an invoice from the seller, a credit note or self-invoicing by the platform operator).

Example of a first supply by the seller not subject to tax
The platform operator facilitates the sale of a handbag on its platform. The purchaser pays the platform operator the purchase price of CHF 108.10 (incl. 8.1% VAT). The platform operator declares and pays the VAT amount of CHF 8.10 to the FTA.

The platform operator retains its commission of CHF 20 (margin = 20% of the sale price) and pays the seller CHF 80. The commission is not additionally taxable for the platform operator.

The seller generates and declares in its VAT return a tax-free turnover of CHF 80 (Art. 23 para. 2 no. 13 of the VATA).

Example of a first supply by the seller subject to tax
The platform operator facilitates the sale of a handbag on its platform. The purchaser pays the platform operator the purchase price of CHF 108.10 (incl. 8.1% VAT). The platform operator declares and pays the VAT amount of CHF 8.10 to the FTA.

The platform operator issues the seller with an invoice for CHF 20 (margin = 20 % of the sales price) as its commission. This amount is invoiced without VAT.

The seller issues an invoice to the platform operator for CHF 86.50 (including 8.1% VAT). It generates and declares a taxable turnover of CHF 80 in its VAT return. As part of its right to deduct input tax, the platform operator can claim the VAT of CHF 6.50 as input tax in its VAT return.

The platform operator can also issue the seller with a statement by means of which it credits the purchase price of CHF 100, deducts its commission of CHF 20 and credits the VAT of CHF 6.50 on the difference, and finally pays the seller CHF 86.50.

2.5 Reliance on the accuracy of the seller's information

In general under Article 20*a* of the VATA, a platform operator is not in possession of the goods sold and does not have the information relevant for taxation (e.g. location of the goods at the time of the start of transport or dispatch to the purchaser).This information is usually provided by the seller.

If the platform operator declares and pays the VAT due based on the information provided by the seller (or a third party) to the platform operator, it fulfils its obligation to file a return. If the seller provided information that the platform operator could not have known to be incorrect, the FTA will not charge the platform operator any additional charges or default interest. The seller may be liable on a subsidiary basis (Art. 15 para. 4bis of the VATA; ☞ section 2.6).

2.6 Subsidiary liability of the seller (Art. 15 para. 4bis of the VATA)

Platform operators are liable to pay tax for sales on platforms in accordance with Article 20*a* of the VATA, provided the conditions for tax liability are met. They must declare and pay the tax to the FTA. Sellers who supply goods via a digital platform are liable on a subsidiary basis for the tax due by the platform operator on these supplies in accordance with Article 20*a* of the VATA (Art. 15 para. 4bis of the VATA).

2.7 Invoicing (Art. 26 of the VATA)

An invoice must be issued at the request of the purchaser (Art. 26 of the VATA).The invoice must clearly identify the supplier, the recipient and the type of supply and, as a rule, contain the following elements:

a. The name and location of the supplier as it appears in business transactions, an indication that it is entered in the Register of Taxable Persons and the number under which it is registered;
b. the name and location of the recipient as they appear in business transactions;
c. the date or period of performance of the supply, if these do not correspond to the invoice date;
d. the nature, subject and scope of the service;
e. the consideration for the supply; and
f. the applicable tax rate and the amount of tax due on the consideration; if the consideration includes tax, it is sufficient to state the applicable tax rate.

In the case of sales under Article 20*a* of the VATA, the invoice can be issued to the purchaser by both the platform operator as well as the seller. It is possible for the seller to issue an invoice in its own name – without indicating the VAT. If the seller of the goods issues an invoice to the purchaser and VAT is listed on it, the platform operator must also be indicated and it must be mentioned that the transaction is in accordance with Article 20*a* of the VATA (e.g. "8.1% VAT settled with the FTA in accordance with Article 20*a* of the VATA by [name and VAT number of the platform operator]"). If the seller invoices the VAT and omits this information, it is liable for the VAT indicated (Art. 27 para. 2 of the VATA).

If the invoice is issued by the platform operator, it can do so in its own name or in the name of the seller. If VAT is indicated, the FTA recommends including a reference to Article 20*a* of the VATA.

3 Platform operator's procedural obligations

3.1 Obligation to register (Art. 66 para. 1 of the VATA)

If a platform operator is subject to tax, it must register with the FTA using the online form within 30 days of the start of its tax liability (www.estv.admin.ch; ☞ information can be found in the VAT Info: Tax liability).

3.2 Obligation to file a return (Art. 71 para. 1 and Art. 86 para. 1 of the VATA)

VAT returns are submitted online using VAT return pro (☞ VAT return pro | VAT return online).

☞ Further information can be found in the VAT Info: Tax returns and payment.

Considerations in foreign currencies must be converted into Swiss francs for VAT accounting purposes (Art. 45 of the VATO; ☞ VAT Info: Tax assessment and tax rates).

3.3 Tax representation (Art. 67 of the VATA)

Taxable persons without a domicile or registered office on Swiss territory must appoint a tax representative to perform their procedural obligations who has his domicile or registered office in Switzerland (Art. 67 para. 1 of the VATA). The FTA may dispense with the appointment of a representative provided the fulfilment of the procedural obligations by the taxable person and the prompt enforcement of this Act are guaranteed in another way (Art. 67 para. 1bis of the VATA).

During the registration process, platform operators can confirm that they fulfil the conditions set by the FTA and thereby dispense with tax representation. Platform operators already entered in the Register of Taxable Persons can confirm to the FTA in writing that they fulfil the conditions set by the FTA and thereby also dispense with tax representation.

In the event of an inspection by the FTA or the opening of administrative or criminal proceedings by the FTA, the platform operator must provide an address for service in Switzerland.

3.4 Auditing (Art. 78 of the VATA)

The FTA may perform audits of platform operators (Art. 78 of the VATA). Supplies facilitated under Article 20*a* of the VATA must be documented by the platform operator. In particular, the following information can be used for this purpose:

a) the type of goods sold;
b) the consideration, indicating the currency;
c) any subsequent increases or reductions in the consideration;
d) the VAT rate applied;
e) the amount of VAT owed in Swiss Francs;
f) the date and amount of the payments received;
g) all proof of any returned goods or possible reductions in the consideration (☞ section 2.3.2).

The freedom of proof and of free consideration of evidence in accordance with Article 81 paragraph 3 of the VATA apply

Further details on audits and the documents and information to be provided can be found on the FTA website.

3.5 Obligation to provide information

Anyone who, with the help of an electronic platform (Art. 3 let. l of the VATA), brings together suppliers and recipients is obliged to provide information to the FTA upon request (Art. 73 para. 2 let. e of the VATA).This applies both to platform operators in accordance with Article 20*a* of the VATA, and to all other operators of electronic interfaces (e.g. service platforms).

The persons obliged to provide information must document the following information in particular:

- name, postal address and email address or website of the seller;
- the turnover achieved by each seller via the platform (before deduction of the fees charged by the platform operator);
- as far as possible: the type of supply offered;

- as far as possible: purchaser's name, postal address and email address.

4 Import

4.1. Principles

A customs declaration must be submitted to the FOCBS (www.bazg.admin.ch) for all items brought into Swiss territory from abroad. The customs declaration must state, among other things, the recipient of the consignment and the importer. Normally, the recipient and importer are the same person (☞ see also section 2.1.1).

However, if the supply leading to the import of goods was made possible with the help of a platform and the platform operator is liable for tax in Switzerland in accordance with Article 7 paragraph 3 of the VATA, this platform operator is generally deemed to be the importer under tax law (☞ exception see section 4.3). Accordingly, the platform operator must be indicated in the *importer field* of the customs declaration.

In mail order business, it is almost exclusively post and parcel service providers that are engaged to transport the traded goods to the customer. The information and documents provided by the consignor must therefore state, clearly and recognisably for the post and parcel service provider, that the consignment items were traded through a taxable platform and that the platform operator is the importer.

In any case, it is recommended that the invoice provided to the post and parcel service provider and/or enclosed with the parcel should state the relevant platform operator as the importer of the goods consignment (incl. the platform operator's VAT number), in addition to the consignee's details.

If the transfer procedure (payment of import tax to the FTA instead of the FOCBS; ☞ section 4.2) is to be applied in accordance with Article 63 paragraph 1 letter b of the VATA, this must be requested in every customs declaration.

The FOCBS and the FTA recommend:
- The platform operator, including its VAT number, should be indicated as the importer on the parcel and on the invoice.
- In the initial customs clearance instructions, the customs declarant should be provided with:
  - the authorisation number if the transfer procedure is to be used; and
  - the CSP account number, if one exists.

The CSP account number enables direct access to the electronic assessment decision and thus an overview of the imports made.

4.2 Transfer procedure

4.2.1 Application

Using the transfer procedure, platform operators subject to tax who are deemed to be suppliers within the meaning of Article 20*a* of the VATA can declare the import tax in the periodic tax return to the FTA instead of paying it to the FOCBS. The platform operators can apply for the application of this procedure, provided that no administrative measures have been ordered against them under Article 79a of the VATA (Art. 63 para. 1 let. b of the VATA).

In order to apply the transfer procedure, it is also required that the platform operators provide supplies of goods within the meaning of Article 20*a* paragraph 1 of the VATA. If the requirements are met, the platform operators can also apply the transfer procedure to sales made in their own name. Article 118 paragraph 1 of the VATO does not apply to platform operators within the meaning of Article 20*a* of the VATA. However, section 3 of the conditions for applying the transfer in accordance with application form no. 1231/1232 must be observed. The FTA issues an authorisation number upon registration for the transfer procedure.

The FOCBS does not levy import tax on the import of goods if the application of the transfer procedure is requested in the customs declaration and the corresponding authorisation number is stated.

4.2.2 Import tax declaration

In the case of an authorised transfer procedure, the import tax is declared on a supplementary sheet to the VAT return (or in the electronic form provided) which covers the period in which the goods were imported. The same supplementary sheet can be used to claim the import tax as input tax at the same time (☞ form no. 1234).

4.3 Possibility of importing goods in the seller's own name

If a seller subject to tax supplies goods from abroad into Swiss territory via a platform whose operator is deemed to be a supplier under Article 20*a* of the VATA and is subject to tax, the place of supply in relation to the first supply from the seller to the platform operator is abroad. In this case, Article 7 paragraph 3 of the VATA does not apply to the seller. Instead, the place of the second supply from the platform operator to the purchaser is within Swiss territory (Art. 20*a* of the VATA in conjunction with Art. 7 para. 3 of the VATA). Consequently, Article 4*a* of the VATO applies to the platform operator and it must carry out the import in its own name (Art. 4*a* para. 2 of the VATO).

As an exception to this principle, a seller who qualifies as a mail order company within the meaning of Article 7 paragraph 3 of the VATA may agree with the platform operator, as a supplier within the meaning of Article 20*a* of the VATA, that it will import goods in its own name (Art. 111*b* of the VATO).

If the seller carries out the imports in its own name, the place of both the first supply of goods from the seller to the platform operator and the second supply of goods from the platform operator to the purchaser is considered to be on Swiss territory.

It should be noted that the FOCBS automatically considers that the mail order company subject to tax or the seller subject to tax which uses the declaration of subordination for abroad is the importer of the goods, unless otherwise indicated in the customs declaration.

4.4 Double charging of VAT

If the tax has not been processed and passed on correctly and the purchaser of the goods is invoiced for both the domestic tax and the import tax, neither the FTA nor the FOCBS can issue a refund, as the domestic tax as well as the import tax are due. This is because, on the one hand, the platform operator made a sale within Swiss territory that was taxed correctly

(Art. 18 of the VATA). On the other hand, goods were imported into Swiss territory and the recipient of the goods is one of the persons liable to pay import tax (Art. 51 of the VATA).

However, if a platform operator subject to VAT refunds the import tax paid by the purchaser and the purchaser sends it the import assessment decision issued by the FOCBS, the FTA will allow the platform operator to deduct input tax on this import tax even if the purchaser is listed as the importer in the assessment decision (☞ VAT Info: Input tax deduction and input tax corrections).

The modalities for any refund of import tax already paid by the purchaser are purely a matter of civil law.

5 Administrative measures (Art. 79*a* of the VATA)

The FTA may impose an import ban on a person subject to tax who makes supplies on Swiss territory in accordance with Article 7 paragraph 3 letter b of the VATA (platform operator or mail order company) if this person:

- fails to register in the Register of Taxable Persons as required; or
- fails to comply or only partially complies with its reporting and payment obligations.

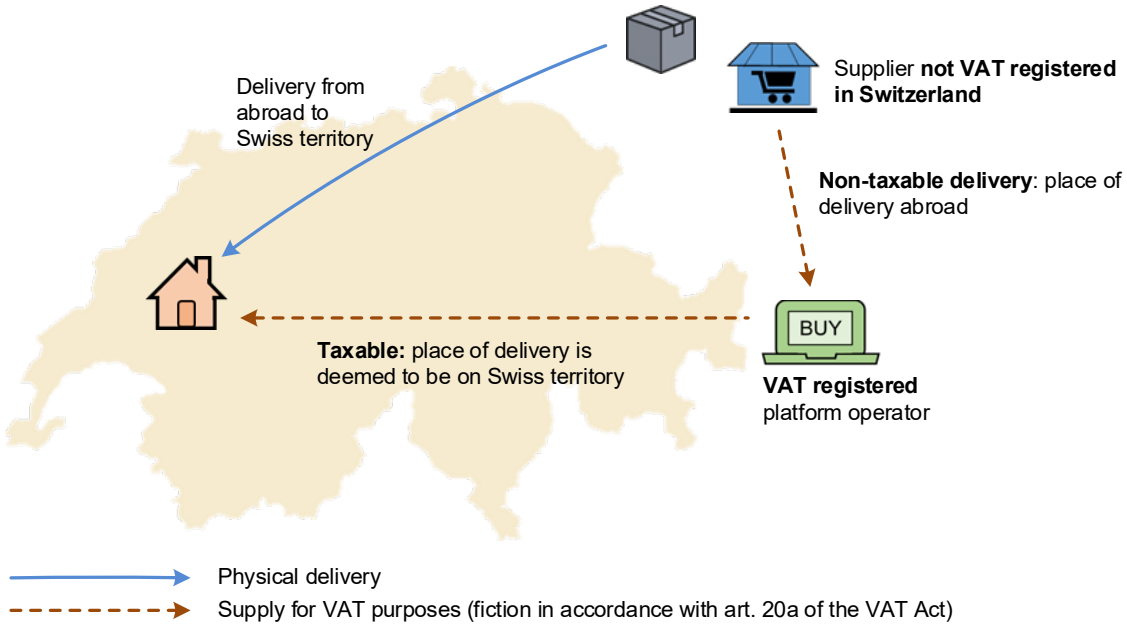
If the person subject to tax continues to fail to fulfil their obligations despite the import ban, the FTA may order the destruction of the goods. The goods will be destroyed without any compensation.

The FTA maintains and publishes a list of all companies against which legally binding measures have been ordered.

The FTA will hear a company before issuing an import ban and destruction order. The FTA sets the company a deadline within which it must fulfil its obligations. The purchasers are not heard (Art. 79*a* para. 2 of the VATA).

6 Examples

6.1 Supply from abroad to Swiss territory with a platform operator that is subject to tax and a seller that is not subject to tax



Tax implications:

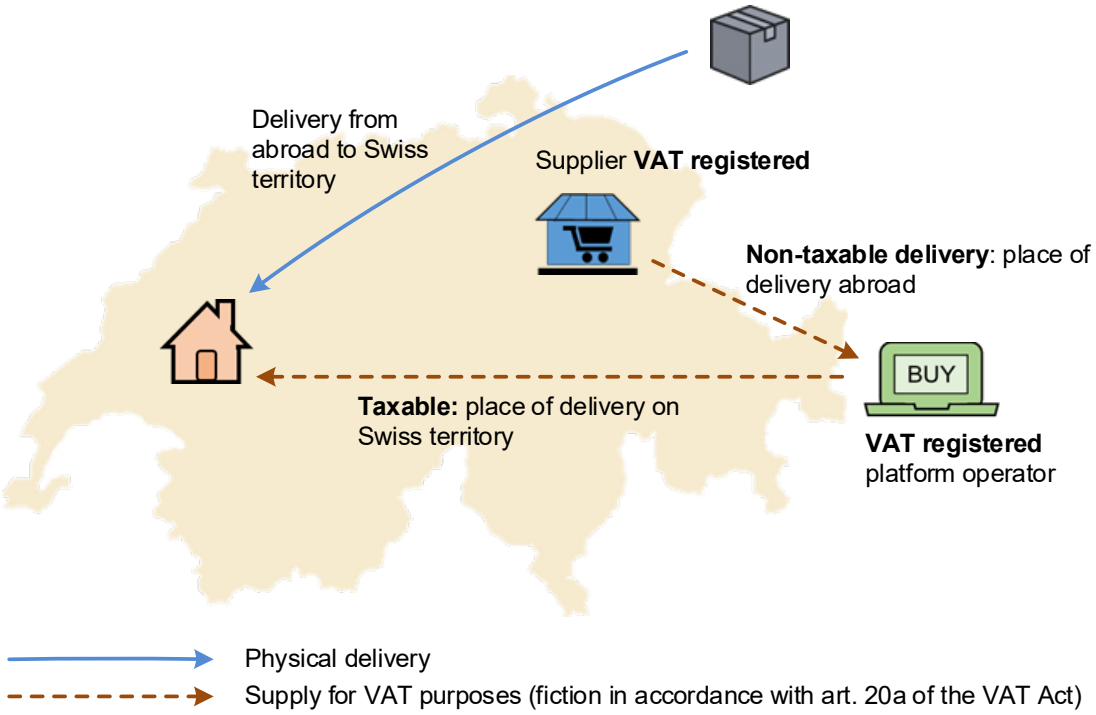
1. **Seller:** The seller makes a non-taxable supply (place of supply is deemed to be abroad).
2. **Platform operator:** If the platform operator is liable to pay tax because it has reached the turnover threshold of CHF 100,000 for small consignments imported into Swiss territory or because it has requested the declaration of subordination for abroad be used, it is making a taxable supply within Swiss territory.

   To avoid the purchaser having to pay additional import tax, the platform operator should be listed as the importer in the customs declaration. If it has an authorisation to use the transfer procedure and the corresponding information is included in the import customs declaration, the goods can be imported into Swiss territory without import tax being levied (regardless of whether the import is tax-exempt or not).
3. **Purchaser:** If the purchaser subject to tax receives an invoice stating VAT, it can deduct the VAT invoiced by the platform operator as input tax in the context of its business activity entitling to make an input tax deduction.

   If the platform operator does not import the goods in its own name and then makes a taxable supply within Swiss territory, the purchaser is listed as the importer in the import customs declaration and is therefore liable for the import tax.

The tax implications – with the exception of the provisions on tax liability (Art. 10 of the VATA) – would not change if the seller or the platform operator – or both – had their place of residence or registered office on Swiss territory.

6.2 Supply from abroad to Swiss territory with a platform operator that is subject to tax and a seller that is subject to tax



Tax implications:

1. **Seller:** In this case, the seller also makes a non-taxable supply (place of supply is deemed to be abroad), if it has reached the turnover threshold of CHF 100,000 per year for small consignments imported into Swiss territory.

   With the consent of the platform operator, the seller can import the goods in its own name (either because it has reached the annual turnover threshold for small consignments or because it has a declaration of subordination for abroad; Art. 111*b* of the VATO). In this case the seller makes a tax-exempt supply of goods on Swiss territory. However, the seller must have a statement (supply overview) issued by the platform operator showing that the supply is subject to VAT in accordance with Article 20*a* of the VATA.
2. **Platform operator:** If the platform operator is liable to pay tax because it has reached the turnover threshold of CHF 100,000 for small consignments imported into Swiss territory or because it has requested the declaration of subordination for abroad be used, it is making a taxable supply on Swiss territory.

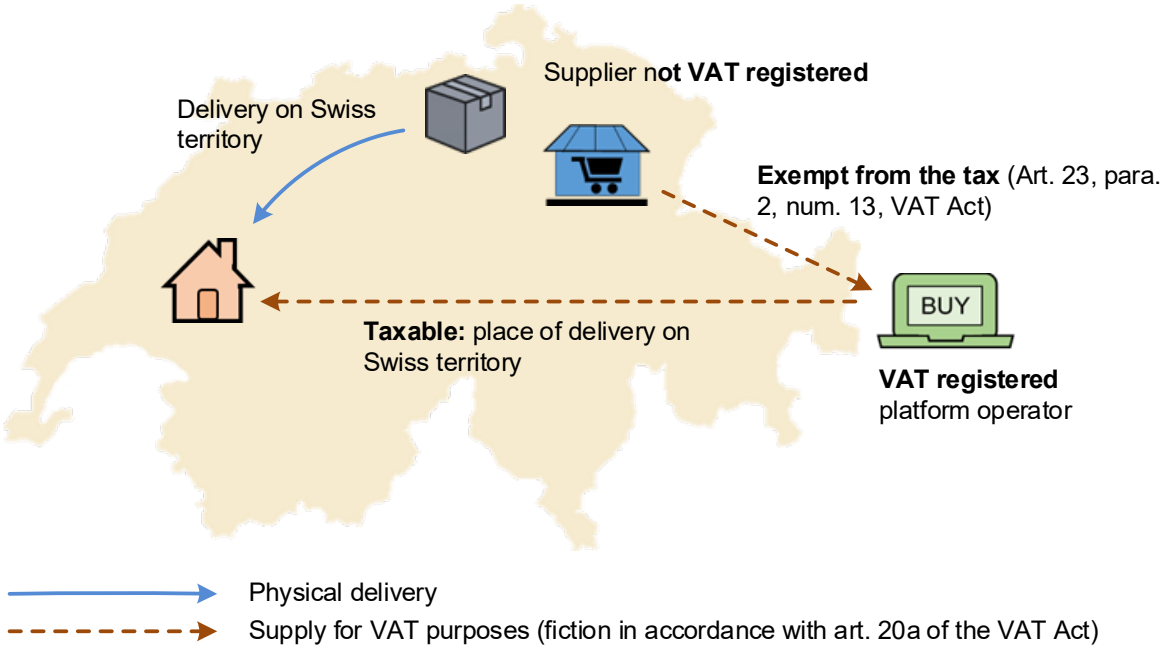
   In order to simplify the overall treatment of its supplies, the FTA recommends that the platform operator requests the declaration of subordination for abroad be used. The platform operator is listed as the importer in the customs declaration. If it has an authorisation to use the transfer procedure and the corresponding information is included in the import customs declaration, the goods can be imported into Swiss territory without import tax being levied (regardless of whether the import is tax-exempt or not).

   Even if the seller imports the item in its own name, the platform operator makes a sale subject to tax on Swiss territory.

3. **Purchaser** If the purchaser subject to tax receives an invoice stating VAT, it can deduct the VAT invoiced by the platform operator as input tax in the context of its business activity entitling to make an input tax deduction. If neither the platform operator nor the seller imports the goods in its own name and then makes a supply within Swiss territory, the purchaser is listed as the importer in the import customs declaration and is therefore liable for the import tax.

The tax implications – with the exception of the provisions on tax liability (Art. 10 of the VATA) – would not change if the seller had its place of residence or registered office abroad, or if the platform operator had its place of residence or registered office on Swiss territory.

6.3 Supply of goods on Swiss territory with a platform operator that is subject to tax and a seller that is not subject to tax

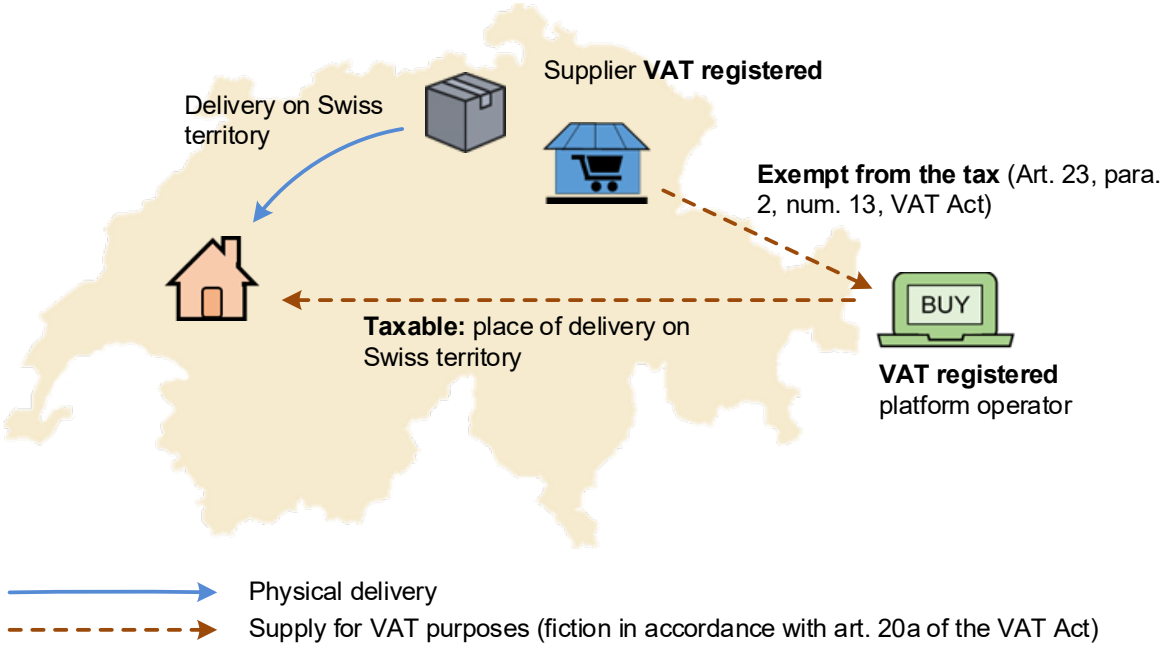


Tax implications:

1. **Seller:** The seller makes a tax-exempt supply of goods on Swiss territory. However, the consideration is included in the calculation of its turnover determining a possible tax liability.
2. **Platform operator:** The platform operator makes a taxable supply of goods on Swiss territory.
3. **Purchaser:** If the purchaser subject to tax receives an invoice stating VAT, it can deduct the VAT invoiced by the platform operator as input tax in the context of its business activity entitling to make an input tax deduction.

The tax implications – with the exception of the provisions on tax liability (Art. 10 of the VATA) – would not change if the seller had its place of residence or registered office abroad or the platform operator had its place of residence or registered office on Swiss territory.

6.4 Supply of goods within Swiss territory with a platform operator that is subject to tax and a seller that is subject to tax



Tax implications:

1. **Seller:** In principle, the seller makes a taxable supply of goods on Swiss territory. If it has an invoice (supply overview) from the platform operator showing that the supply was taxed in accordance with Article 20*a* of the VATA, it can make its supply tax-exempt (☞ section 2.1.2).
2. **Platform operator:** The platform operator makes a taxable supply of goods on Swiss territory.
3. **Purchaser:** If the purchaser subject to tax receives an invoice stating VAT, it can deduct the VAT invoiced by the platform operator as input tax in the context of its business activity entitling to make an input tax deduction.

The tax implications – with the exception of the provisions on tax liability (Art. 10 of the VATA) – would not change if the seller had its place of residence or registered office abroad or the platform operator had its place of residence or registered office on Swiss territory.