

2020 fiscal equalization between the Confederation and the cantons

Review of data processing by cantonal and federal offices

Key facts

The total volume of fiscal equalization (NFE) for 2020 is CHF 5,282 million, representing a year-on-year increase of 1.2% (CHF 5,221 million). From 2020 onwards, significant equalization changes will take effect following the corporate tax reform and the results of the last evaluation report on the effectiveness of the NFE.

The 2020 equalization amounts take account of these changes, subject to the Federal Council's validation of the new ordinance, expected in November 2019.

No major errors in the cantonal tax data...

In 2019, the Swiss Federal Audit Office (SFAO) examined the tax data in the cantons of Aargau, Appenzell Ausserrhoden, Fribourg and Solothurn. Generally, there are significant disparities in the cantons' quality assurance processes, also considering the cantons examined in the past, and specific improvements could be made.

The IT systems used by the cantons are extremely varied. The checks could be stepped up at times there too, particularly during data migration when the IT system is changed. Despite these weaknesses, the SFAO did not identify any major errors in the data reviewed this year.

... but room for improvement in the collection of social assistance data

The fiscal equalization processes and internal control systems of the federal offices are effective. The SFAO did not find any errors in the data processing or in the calculation of the 2020 equalization amounts.

In the Federal Tax Administration, the project to further automate processes, recommended by the SFAO since 2012, is taking a long time to come to fruition. Its implementation is expected in 2022 at the earliest.

At the Federal Statistical Office, errors found in the data received from two cantons concerning social assistance in the broad sense highlight the need to have a stricter definition for the processing procedure in such cases. Similarly, it would be worth evaluating a simplification of the design of the poverty indicator or the collection of that data.

The Federal Finance Administration has correctly updated the method of calculating equalization amounts following the 2019 legal amendments. The change management process in the calculation application should be formalised.

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