



2017 fiscal equalization between the Confederation and the cantons

Key facts

The total volume of fiscal equalization for 2017 is CHF 4,987 million, representing a year-on-year increase of 1.1% (CHF 4,932 million). In line with the statutory requirements, the 2017 equalization contributions were adapted according to the development of resource potential and the consumer price index.

The third series of corporate tax reforms (CTR III) will have a substantial impact on fiscal equalization due to the abolition of special tax statuses for legal entities and the fiscal utilisability of legal entities' profits. Subject to a referendum and its outcome, that impact is expected from the fiscal equalization reference year of 2023.

The quality of tax data delivered at cantonal level is good

In 2016, the Swiss Federal Audit Office (SFAO) examined the tax data in the cantons of Basel Stadt, Fribourg, Graubünden, Jura, Lucerne, Solothurn and Thurgau. The quality assurance processes in place are generally appropriate and the quality of the data delivered by the cantons is good. Systematic reporting of cantonal data by individual case would enable the Federal Tax Administration (FTA) to be more effective in its checks.

The IT systems used by the cantons are very varied and specific improvements could be made. The significant errors noted in the cantonal data were subject to supplementary reporting based on the decisions of the technical group responsible for fiscal equalization quality assurance.

The fiscal equalization processes in the offices are effective on the whole at federal level

Overall, the fiscal equalization processes and internal control systems within the federal offices are deemed to be effective. The SFAO found no errors in the processing of fiscal equalization data, the calculation of 2017 equalization amounts and the last payments made.

The FTA has been working on a project to establish a data warehouse for several years. This project should allow for greater automation of processes, bringing efficiency gains and processing security gains. This has been an SFAO recommendation since 2012. As the project was put on standby in 2016, the SFAO's recommendation is still outstanding.

The description of processes, the documentation of checks and the retention of definitive data could be improved at the Federal Statistical Office (FSO). The poverty indicator has undergone a conceptual adjustment. It was subject to in-depth checks by the FSO when it was first applied for the 2017 fiscal equalization amounts.

The IT program for the processing of fiscal equalization data by the Federal Finance Administration (FFA) should soon be replaced. The FFA is currently testing a new program. The SFAO is encouraging the FFA to take advantage of this change to harmonise the transfer of requested data to the FSO.

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