

2019 fiscal equalization between the Confederation and the cantons

Examination of data processing by cantonal and federal offices

Key facts

The total volume of fiscal equalization (NFE) for 2019 is CHF 5221 million, representing a year-on-year increase of 2.6% (CHF 5091 million). Significant equalization changes could occur from 2020 as a result of the measures proposed by the Federal Council in its evaluation report on the effectiveness of the NFE. Changes could also take place in 2024 with the corporate tax reform proposal (tax proposal 17), which provides for the abolition of special tax statutes for legal entities, among other things. Finally, at the request of the Swiss Federal Audit Office (SFAO), the Federal Finance Administration (FFA) simulated the impact of systematic taxation of cantonal banks on NFE equalization payments. However, the Federal Department of Finance (FDF) believes that there is no need to change the current tax regime.

Good quality cantonal data...

In 2018, the SFAO examined tax data in the cantons of Bern, Graubünden, Neuchâtel, Nidwalden, Obwalden, Schwyz, Valais, Zug and Zurich. The quality assurance processes in place are generally appropriate and the quality of the data supplied by the cantons is good despite the disparity of the control mechanisms established.

The SFAO nevertheless found significant errors in the canton of Zurich, which were corrected. The IT systems used by the cantons are very varied and specific improvements could still be made.

...and effective federal processes

The fiscal equalization processes and internal control systems of the federal offices are effective. The SFAO found no errors in the processing of fiscal equalization data, the calculation of 2019 equalization amounts and the payments made in 2017.

In response to an SFAO recommendation dating from 2012, the Federal Tax Administration (FTA) initiated a project in 2017 for greater automation of processes, bringing efficiency gains and processing security gains. However, nothing has been done yet in 2018 due to a lack of resources.

The Federal Statistical Office (FSO) has implemented the SFAO's recommendation on improving the description of processes and control documentation.

The FFA implemented a new IT solution for calculating NFE amounts in 2018. Its commissioning followed good practices and the calculation process produces reliable results. The transfer of data between the federal offices was simplified on this occasion, as suggested by the SFAO.

Original text in French