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The changes to the Geneva tax at source codes which take effect on 1 January 2014 are the most far reaching for several years. It is important for everybody taxed at source, whose spouse either works or is self-employed, or who lives alone and has a child under 25 for whom they are responsible, that they understand these changes when they complete their tax at source 2014 form from which their 2014 tax code is determined. The 2014 codes are

Code A0: This is a new code, whereas in past years the old code A was applicable to a wide variety of circumstances, A0 is reserved for:

- (i) Everybody unmarried (single, divorced, widowed, separated),
- (ii) Unmarried couples who have children, and
- (iii) Anybody who is divorced or separated who has children living with them on an 'alternate' basis.

Code B: this is reserved for:

- (iv) Anybody married and whose spouse is neither in paid work or self-employed in Switzerland or anywhere else in the world, except for
- (v) Anybody married whose spouse is in paid work for a long list of international organisations listed on the back of the 2014 form.

Code C: this is reserved for:

- (vi) Anybody married and whose spouse is either in paid work or self-employed in Switzerland or anywhere else in the world, and for
- (vii) Anybody married whose spouse is in paid work for a long list of international organisations listed on back of the form, but which different from those for code B.

Codes B and C are both expanded, ie B0, B1, B2 and so on for the number of children a married couple have.

Anybody for whom code C is applicable needs to understand its cash flow implications. The tax at source department has assumed that a spouse's annual earnings are a 'theoretical' amount of CHF65,100, but because the tax department is not aware of a spouse's actual earnings, taxation of this 'theoretical' amount is realised by taxing the Swiss salary at a high tax at source rate than would otherwise be the case. Someone, married with no children whose annual Swiss salary is CHF100,000 will have the tax code C0 and will be taxed at a rate of 14.93% on CHF100,000, compared to 8.14% on tax code B in 2013. A spouse's earnings will vary from the tax department's assumption of CHF65, 100 and there are two choices available:

- (viii) A tax refund claim based on a spouse's 'actual' earnings which will need to be made by 31 March following the tax year or
- (ix) An online application- <http://ge.ch/impots/imp-t-source-2014-nouveaut-s-> for an adjusted C code based on the spouse's estimated earnings for the tax year and which will avoid the heavy negative cash flow of (viii).

Code H: this is reserved for single parent families and is for anybody never married, divorced, widowed or separated for whose children there are no 'alternate' living arrangements.

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