IAB INSURANCE ADVICE & BROKERAGE
Professional Insurance Broker

Factsheet Switzerland

Fund / unit-linked capital insurance on payment of single premium
(tax-privileged insurance in Switzerland),
pillar 3b

General information

Duration	_ Can be chosen freely, minimum of 10 years
Investment	_ Investment funds authorised for public sale or investment strategies of the insurance company managed by an appointed asset manager
Additional contributions	_ None
Biometric risk	_ Guaranteed minimum death cover required, medical questionnaire, health check may be necessary
Remarks	_ Insurance benefits do not form part of the estate _ Wealth planning during lifetime and estate planning _ Free choice of beneficiaries with orders of precedence and quotas, can be changed at any time _ If a spouse, registered partner or children are the beneficiaries, the insurance entitlement cannot be seized or included in the bankruptcy estate before maturity _ Only one policyholder, who must also be the insured person; joint policy for spouses permitted _ Policyholder must be younger than the age of 66 on conclusion of the policy _ Payment by transfer in kind (existing portfolio) – fully or partially - is possible upon request

Tax treatment

Stamp duty	_ Swiss stamp duty (currently 2.5%) on the single premium
Taxes during the term of the policy	_ No income tax _ The surrender value of a life insurance policy is subject to cantonal wealth tax during the term of the policy
Maturity (capital life insurance)	_ In Pillar 3b, capital life insurances are exempt from income tax provided that all of the following conditions are fulfilled: _ The insured person is aged 60 or older at the time of the payout _ The duration of the policy has been at least 10 years _ The policy was taken out before the insured person reached the age of 66

	Tax treatment
In case of survival – lump-sum option (pension insurance)	_ Not available
In case of survival – drawdown of pension (pension insurance)	_ Not available
Surrender	_ Disadvantageous from a tax perspective if the surrender takes place before the age of 60
Partial surrender	_ Disadvantageous from a tax perspective if a partial surrender takes place before the age of 60
In the event of death – income tax	_ None
In the event of death – inheritance tax	_ Inheritance tax in accordance with cantonal tax legislation
Gift tax	_ Gift tax in accordance with cantonal tax legislation