



Tax services for Swiss pension funds

KPMG Financial Services Tax



Be comfortable that your investment structures are tax suitable & tax compliant

Q1	Are you sure that you are not suffering from excessive withholding taxes on any of your foreign investments?
Q2	Are you sure that you are tax compliant in all foreign jurisdictions where you hold alternative investments (e.g. 'ECI' risks in the US market, etc.)?
Q3	Are the following topics on your radar when making new foreign alternative investments: <ul style="list-style-type: none">– Should the pension fund invest directly, or indirectly (e.g. via a single-investor fund)?– Does the new Swiss vehicle (L-QIF) offer any benefits?– How do other pension funds structure their foreign alternative investments?

Given the current low (or even negative) interest rate environment, Swiss institutional and federal/cantonal pension funds are increasingly having to look at more exotic asset classes and markets in order to achieve a minimum investment return. We are seeing a very strong trend of Swiss pension funds investing into alternative assets (private equity, private debt, direct lending, direct/indirect

real estate, fund-of-funds, etc.), in addition to traditional equity and debt investments. The tax implications and obligations of such alternative investments can be complex, and are often not on the radar of Swiss pension funds. KPMG has a dedicated team to support Swiss pension funds navigate this complex area.

How KPMG can help?

Country tax guides High-level guide of the tax implications of investing into a particular country (tax registration obligations/filing risks, withholding tax leakages, capital gains tax burdens, stamp taxes, etc.)	Tax due diligence Analysis of the tax implications of proceeding with a proposed investment (either on a "red flag" or "detailed" basis).
Tax structuring / re-structuring Supporting you to choose a tax efficient structure for your investments	Withholding tax reclaims Support with the withholding tax reclaim process in respect of foreign investments
Ad-hoc tax advice Tax hotline for any ad-hoc tax queries	

KPMG's offerings

Offering	What we do	What you get
Country tax guides	<ul style="list-style-type: none"> – KPMG provides you with a concise overview of the tax implications & obligations when investing into a particular country (e.g. tax registration/ filing requirements, withholding taxes on dividends/interest, capital gains taxes, stamp taxes, double tax treaty relief, etc.) 	<ul style="list-style-type: none"> – An understanding of the tax environment in the given country – Comfort on whether investments can be made into the given country free of any tax leakages or tax administration requirements – Local expertise from the KPMG Global network
Tax due diligence	<ul style="list-style-type: none"> – KPMG performs a “light” or “detailed” analysis of the tax implications of proceeding with a proposed investment – Review of tax clauses in the legal agreements – Support with completing tax declarations in the subscription documents (e.g. FATCA/AEOI self-certifications, etc.) 	<ul style="list-style-type: none"> – No unexpected tax surprises post-investment – Full comfort on the tax implications and obligations that would arise if you proceed with the proposed investment
Tax structuring/ re-structuring	<ul style="list-style-type: none"> – KPMG supports you to choose a tax efficient structure for your investments (e.g. pros and cons analysis of a range of structure options) – Restructuring advice and support in the case of an existing structure which is no longer tax suitable – Implementation advice & support 	<ul style="list-style-type: none"> – Insight from KPMG's industry experts, including trends and what other Swiss and foreign pension funds do – Comfort that your investments are set-up in a tax suitable manner
Withholding tax reclaims	<ul style="list-style-type: none"> – We can use our online database of international withholding tax rates (“GloWTrack”) to perform a ‘healthcheck’ and ensure you are not suffering from excessive foreign withholding tax rates, and identify cases where additional reclaims may be possible – KPMG can then support you with the withholding tax relief/ reclaim process in the relevant markets 	<ul style="list-style-type: none"> – Compliance with your fiduciary duty to act in the best interests of the insured pension fund members – Assurance that you are not suffering from excessive withholding taxes – Potentially receiving additional (unexpected) withholding tax refunds due to KPMG's support
Ad-hoc tax advice	<ul style="list-style-type: none"> – KPMG provides a tax hotline for any ad-hoc tax queries. You can call or email us at any time with any tax related queries, and we will get back to you promptly 	<ul style="list-style-type: none"> – A trusted and responsive advisor, on hand to answer any tax related questions that may arise at any time

Contacts

KPMG AG

Badenerstrasse 172
Postfach
CH-8036 Zurich

kpmg.ch

Charles Hermann

Partner
Financial Services Tax

+41 58 249 29 82
chermann@kpmg.com

Chris Goddard

Director
Financial Services Tax

+41 58 249 54 53
christophergoddard@kpmg.com

Lina Novak

Manager
Financial Services Tax

+41 58 249 20 92
lnovak1@kpmg.com

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