

GMS Flash Alert

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Switzerland – Swiss Voters Approve the Introduction of Individual Taxation for Married Couples

On 8 March 2026, 54.26 percent of Swiss voters approved the Federal Act on Individual Taxation, which introduces individual taxation and marks a fundamental change to Switzerland’s tax system. In the future, every adult taxpayer—whether married, in a registered partnership, or single—is required to file an individual tax return.^{1,2} The new system is expected to enter into force by 2032 at the latest.

This reform replaces the long standing model of joint taxation for married couples and registered partners for same-sex couples and is intended to create a tax system that is fairer and neutral with respect to marital status and family model.

WHY THIS MATTERS

Today, married couples in Switzerland are taxed jointly through a single tax return, while unmarried couples are taxed individually. This system can lead to households with similar financial circumstances being taxed differently solely due to their marital status, a situation commonly referred to as the “marriage penalty” or in some cases, a “marriage bonus.”

Given Switzerland’s progressive tax system, the combined income of two spouses may place them in a higher tax bracket than if they were assessed separately. Although certain tax relief measures exist for married couples, these do not always completely offset the resulting disadvantage, particularly when both spouses earn similar incomes. Conversely, some couples may benefit from a “marriage bonus” when joint taxation reduces their overall liability. The reform aims to reduce the extent of these disparities and help achieve equal tax treatment for all taxpayers, regardless of their civil status.

Background and Key Points of the New Legislation

Under the new individual taxation system, each adult will be taxed on their own income and assets. The reform introduces several significant measures to implement individual taxation for all taxpayers.

Key Measures

- **Individual tax return filing:** Each spouse will file an individual tax return and will be assessed separately. Income such as salaries or pensions will be taxed separately for each person. Assets and related investment income will be allocated according to civil law principles. For example, a joint bank account could generally be divided equally between spouses (unless the individual reports to the tax authorities that another split should be considered), while ownership of real estate will be determined by the land register. Each taxpayer will claim their own deductions and child-related deductions under federal direct tax will be shared equally between parents.
- **Application at all levels of taxation:** Individual taxation will apply at the federal, cantonal and communal levels. Cantons will retain autonomy in adapting their tax scales, deductions and legal frameworks to implement the reform. Therefore, the financial impact will vary by canton, depending on how each designs its tax scale. It is therefore difficult at this stage to estimate the impact of the reform at the cantonal and communal levels.
- **Increase in the child deduction (federal direct tax):** The child deduction for federal direct tax will increase from CHF 6,800 to CHF 12,000 per child. This measure is intended to offset the reduction of tax relief for married couples under the new individual taxation system.
- **Adjustment of the federal tax scale:** The federal tax scale will be revised to help provide a more balanced distribution of the reform's effects across income levels with lower tax rates for low and middle incomes and slightly higher tax rates for high incomes.

For households where one spouse earns a secondary income, individual taxation is expected to strengthen incentives to assume paid employment or increase working hours. Since the secondary income is expected to be assessed separately (usually at a lower progression level), the net financial return from working could generally improve.

Under the new system, couples in which both spouses earn similar incomes could generally see their federal direct tax burden decrease. Retired married couples are also expected to benefit from the reform. In contrast, couples with a large difference in income are likely to face a higher tax burden. This effect is expected to be more pronounced for families with children, though the increased child deduction could help mitigate the impact.

Most unmarried individuals, especially those with low or middle incomes, will see their taxes decrease. High income individuals, however, are expected to pay more under the revised federal tax scale.

In addition, cantonal tax administrations will need to process around one-third more tax returns. However, some processes are expected to become simpler (in cases of marriage, separation, or divorce) as no administrative adjustments will be needed to split or merge assessments. The additional workload could be partly absorbed through ongoing digitalisation and process improvement.

KPMG INSIGHTS

The approval of individual taxation represents a major structural shift in Switzerland's tax system. While the reform is expected to provide tax relief for many households (especially dual-earner married couples and retirees), it also introduces greater complexity and administrative demands, and some married couples might witness their tax burden increase. As the Federal Council and the cantons develop the implementing rules, the full impact will emerge gradually and remains yet to be determined, with outcomes likely to vary across Switzerland.

Implications for global mobility policies

The introduction of individual taxation will also require a review of existing global mobility policies. Under the previous joint filing system, spousal tax support was often an integral part of the assignment package, as the spouse's income and deductions directly influenced the couple's overall tax position. With separate tax returns for each adult, employers should reassess whether, and to what extent, spousal tax support will continue to be provided, and update tax equalization or tax protection policies accordingly. Global mobility professionals are advised to evaluate the potential impact on cost projections, policy design, and communication with assignees well in advance of the reform's entry into force.

KPMG can help clients navigate this transition by clarifying both the administrative and financial implications of the new system and offering tailored guidance to understand how the reform will affect their individual situation. Readers are encouraged to engage and consult with their usual tax adviser or a member of the KPMG Switzerland tax team (see the Contacts section) for guidance.

ENDNOTES:

- 1 The Federal Council, The portal of Swiss government, "[Individual taxation](#)."
- 2 République et canton de Genève (in French), "[Votation populaire du 8 mars 2026](#)."

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Contacts

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