



Switzerland: From January 1, 2024, no more import duties on industrial products

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1 Reform of the Swiss customs tariff (TARES)

With effect as of 1 January 2024, Switzerland is reforming its customs tariff and is abolishing industrial tariffs. On average, prices for goods and supplies of services in Switzerland are significantly higher than in neighbouring countries. In order to reduce the resulting barriers to trade and strengthen the country's competitiveness, the Federal Council decided on 2 February 2022 to abolish industrial tariffs as part of a package of measures to facilitate cross-border trade. The abolition of customs duties will also lead to a significant reduction of the customs tariff.

2 Elimination of industrial tariffs

When the measures come into force on 1 January 2024, import duties will no longer apply to industrial products, regardless of their origin. All industrially produced goods in Chapter 25-97 of the Swiss customs tariff will be affected, with the exception of agricultural and fishery products.

Preferential proof of origin is no longer necessary for these products, especially as the customs duty rate is 0%. Proof of preferential origin is therefore no longer necessary, in particular if

- it is clear, at the time of import, that the product will remain in Switzerland,
- the goods will be re-exported to a country of destination with which there is no free trade agreement, or
- the product is sufficiently processed in Switzerland without utilising the cumulation of the free trade agreement and is then re-exported.



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If, on the other hand, there is transit or processing, which is only considered sufficient due to cumulation, and the goods are subsequently re-exported, a preferential proof of origin is still required.

Customs clearance remains intact despite the extensive abolition of import duties. An import customs declaration is therefore still mandatory, regardless of the purpose of the import.

Other additional duties and taxes, such as the VOC levy or mineral oil tax, will still apply in the future.

3 Simplification of the customs tariff

At the same time, the Swiss Customs Tariff (TARES) will be simplified by reducing the number of tariff headings. As the rate of duty for industrial products will be 0% for the majority of industrial products as from 1 January 2024, it will no longer be necessary to subdivide the individual tariff headings, e.g. according to the material of the product, in order to determine different duty rates. Instead, some tariff numbers will be merged by dispensing with the subdivision on the seventh and eighth digit of the customs tariff number and replacing it with "00". This means that around 1,600 tariff headings can be removed. The tariff classification will, consequently, be considerably simplified.

If the subdivisions continue to be needed when implementing non-customs-related decrees, such as export controls, they will be retained.

Binding tariff information that is affected by the changes to the tariff numbers will continue to be recognised as valid within the validity period of 6 years.

4 Conclusion

Due to the simplification of the customs tariff structure and the associated extensive changes to the customs tariff numbers, the customs tariff headings in the database must be revised and adapted to the new classifications.

At the same time, German companies exporting goods to Switzerland will, in future, require significantly fewer preferential proofs of origin. This will simplify the export process. Nevertheless, proof of origin will still be required in cases where goods are cumulated or re-exported. Companies should therefore consult with importing Swiss companies to determine whether preferential proof of origin is still required for their goods.

Even though import duties for industrial products will no longer apply from 1 January 2024, there will be no changes to the requirement for customs declarations. The customs clearance process will remain in place, in terms of which the new customs tariff numbers must be used.

Both the general abolition of proof of origin and the simplification of tariff classification will result in administrative relief for companies. However, a revision of the tariff classification is essential for a correct customs declaration.

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