

Federal Law on Regional Policy

(SR¹ 901.0, Art. 1, 12 and 19)

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Art. 1 Purpose

This act aims to increase the competitive position and value creation of individual regions and therefore help creating and saving jobs in the regions, maintaining a decentralised population and reduce regional disparities (Art. 1 of the BNRP).

Art. 12 Tax relief

¹ If a canton grants tax relief pursuant to Art. 23 Para. 3 of the Federal Law of 14 December 1990³ on the Harmonisation of the Direct Taxes of the Cantons and Communes, the federal government may also grant relief on direct federal tax.

² Relief on direct federal tax is only granted if:

- a. an industrial company or production-related service provider creates new jobs or restructures existing ones;
- b. the enterprise meets the regional economic requirements of this act;
- c. the canton demands the subsequent payment of unlawfully claimed tax relief.

³ After consulting with the cantons, the Federal Council determines the areas in which companies may benefit from this relief and regulates the modalities of the financial supervision, particularly the duty to collect and pass on information about the effect of the tax relief granted.

Art. 19 Tax relief applications and processes

¹ The canton decides whether or not a cantonal tax relief should be granted. It passes on the application, including its decisions and applications, to the State Secretariat for Economic Affairs (SECO).

² SECO assesses the applications for the attention of the Federal Department of Economic Affairs, Education and Research (EAER)⁴. This department decides on the granting and extent of relief on direct federal tax.

³ The relief on direct federal tax is executed by the authority in the canton responsible for the tax assessment of the company pursuant to the requirements of the decision made by the EAER and in line with the Federal Department of Finance.

¹ SR = Systematic Registry of Federal Law