



Inheriting Real Estate in Switzerland

The inheritance of real estate in Switzerland is governed by a combination of national and cantonal laws, particularly tax regulations. This includes the consideration of statutory portions for certain heirs, the calculation of inheritance tax, and strategic estate planning.

Legal framework

In Switzerland, inheritance law is primarily governed by the Swiss Civil Code (ZGB). This legislation defines how assets, including real estate, are distributed upon a person's death. Cantons may enact additional regulations, particularly regarding inheritance tax, which can lead to significant differences in the rules from one canton to another.

Compulsory share and available share

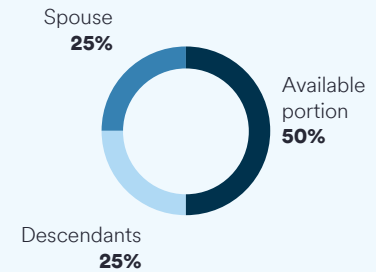
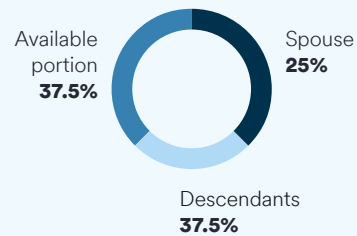
The compulsory portion protects the inheritance rights of immediate family members (such as children and spouses), thereby limiting the freedom to distribute the estate arbitrarily through a will or inheritance agreement. For example, children must receive at least three-quarters of their legal entitlement. The remainder of the estate can be freely allocated in a will.

Compulsory vs. Available portions

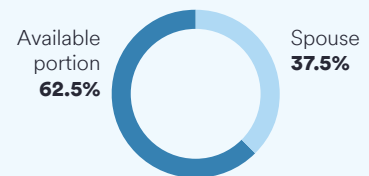
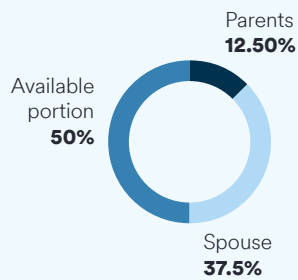
Portions until 31 December 2022

Portions since 1 January 2023

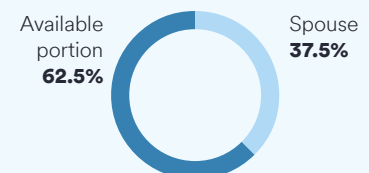
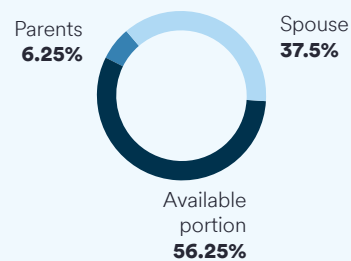
**Spouses
Descendants**



**Spouses
No descendants
Parents**



**Spouses
No descendants
One parent deceased**



Note: The percentage values always refer to the entire estate.

Inheritance tax

Inheritance tax varies significantly depending on the canton and the degree of relationship with the deceased. In many cantons, spouses and direct descendants are exempt from inheritance tax, whereas siblings and non-relatives are subject to higher tax rates.

Options in estate planning

Careful estate planning can help reduce the tax burden and ensure that a property is inherited according to the wishes of the deceased. Possible measures include drafting a will, gifting the property during one's lifetime while retaining a right of residence, or making use of an inheritance agreement to set binding terms for the distribution of the estate.

Important considerations

- Maintaining the property until it is transferred can lead to additional costs.
- The division of the estate, especially with regard to real estate, can lead to conflicts among heirs. Clear and timely estate planning can help prevent such issues.
- Arrange for a fair market valuation of the property that is accepted by all parties involved. If necessary, commission a second appraisal and use the average value to minimize potential points of contention.

Key factors in estate planning

- **Will and inheritance agreement:** A will or inheritance agreement allows you to specify your individual wishes regarding the distribution of the estate, including real estate. It is important to prepare these documents in a timely manner and ensure they comply with legal requirements.
- **Optimize inheritance tax:** Strategic estate planning – for example, through lifetime gifts or targeted use of tax exemptions – can help minimize the inheritance tax burden.
- **Advance care directive and living will:** In addition to regulating your estate, it is equally important to make arrangements in case of incapacity. An advance care directive and a living will ensure that your personal interests and wishes are protected.
- **Seek professional advice:** Inheritance and inheritance tax regulations are complex and can vary depending on the canton of residence of the deceased and of the heirs. Professional advice from a notary or attorney is essential to ensure that your estate planning aligns with your personal wishes and is legally compliant.

Conclusion

The inheritance of real estate is an important aspect of estate planning in Switzerland. Through proactive organization and consideration of legal requirements, individuals can ensure that their wishes are respected and that their loved ones face minimal financial and emotional burdens.



smzh tip



Thomas Kaufmann
Chairman of the Board
smzh ag

Based on many years of experience, Thomas Kaufmann notes that it is worth seeking the advice of experts who accompany you throughout the inheritance process:

« **The Swiss real estate market can be complex and challenging, particularly taking into consideration the many legal, financial, and fiscal aspects. The experienced advisors of smzh ag provide valuable insights and support in this context. With our professional guidance, we help you minimize risks and make the best decision given your personal requirements.** »

smzh for you

- **Individual consultation:** We analyze your situation and develop tailored solutions for legally compliant and fair inheritance arrangements.
- **Legal certainty:** Our experts assist you in drafting wills or inheritance agreements and clarify ownership matters.
- **Tax optimization:** We help you minimize tax burdens and relieve your heirs financially.
- **Clarification of inheritance matters:** We support you in the fair division of property and assist with the resolution of potential conflicts.
- **Financial solutions:** Together, we develop strategies to make the property financially manageable for your heirs.



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or make an appointment
online.

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