

Immigration - Switzerland

Foreign employers to cover costs for boarding, lodging and transport

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According to Swiss deputation law and Article 24 of the Foreign National Act, only suitable accommodation must be provided to employees deputed to Switzerland. However, according to the practice of Swiss immigration authorities, foreign employers deputing employees to Switzerland must cover the actual costs of boarding, lodging and transport (to, out of and within Switzerland). Further, the costs must be paid on top of salary and cannot be included as part of the Swiss minimum salary customary for the place and trade (minimum salary must be reached in order to avoid wage dumping in Switzerland).

The actual costs incurred by the deputed employee for boarding, lodging and travel while working in Switzerland must be reimbursed to the employee by the foreign employer. Hence, in principle, the employee should collect all receipts in order to get his or her expenses reimbursed by the foreign employer. However, as checking all receipts involves a great deal of administration for foreign employers, Swiss authorities accept that in practice foreign employers use a monthly lump-sum allowance system in order to cover the employee's actual boarding, lodging and accommodation costs. Such a lump-sum amount must cover the effective costs incurred by the deputed employee in Switzerland. In practice, a mixed system is also accepted, whereas housing is provided and paid directly by the employer and boarding and travel is paid as a lump sum to the employee.

Cantonal authorities have various practices with regard to the minimum lump-sum amount accepted. The canton of Geneva accepts a lump sum of Sfr2,000 per month for boarding, lodging and transport, while the canton of Zurich requires a monthly lump sum of Sfr3,000 for boarding (Sfr1,000) and lodging (Sfr2,000) only; cost for travel is paid separately.

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