

## Features of a limited liability company (GmbH)

- Purpose:**
  - Trade, manufacturing or other commercial business carried out under a company name
- Creation:**
  - Created by registration in the register of commerce
- Legal entity:**
  - Own legal entity as a juridical person
- Form regulations:**
  - Public declaration (as for an AG)
- Organs:**
  - Corporate or general meeting
  - Managing Director
- Company designation:**
  - The designation of the company can be chosen without restriction - with the appendix "GmbH" (within the boundaries of good taste and if no entry in the register of commerce with the same name exists). Refer also to instructions and notes from the register of commerce offices regarding examination of companies and names.
- Minimum capital:**
  - CHF 20,000.-, fully paid up.
- Foundation:**
  - Number of founders
    - 1 founding member (natural or juridical persons)
    - At least 1 executive representative of the company (managing director, director etc.) must be resident in Switzerland
  - Origin of founders
    - Swiss citizens or foreign nationals
  - Cost factors during foundation
    - Any advisory fees (tax advisors, solicitors, accountants etc.)
    - Registration fees for the register of commerce
    - 1% stamp tax on the stock capital above CHF 250,000.-
  - Cost of foundation
    - From around CHF 3,000.-
- Liability:**
  - Company assets
- Taxes:**
  - Application
    - Double taxation (taxation on income of the company as well as taxation of dividends to shareholders)
    - When strong binding of the members to the company is required
- Advantages**
  - Limited liability
  - Low minimum capital
- Disadvantages**
  - Lack of anonymity of members
  - Double taxation