

## Features of a proprietorship

- Purpose:**
- Running a business as sole proprietor
- Creation:**
- With the start of business activities
- Legal entity:**
- No own legal entity
- Form regulations:**
- No special form regulations
  - Generally, registration in the register of commerce from an annual turnover of CHF 100,000 p.a.
- Organs:**
- Proprietor
- Company designation:**
- The family name of the proprietor must be included in the company name (it is an advantage if the first name is also mentioned).
- Foundation:**
- Number of founders
    - 1 person
  - Origin of founders
    - Swiss or foreign citizens. (Foreigners must delegate a manager with powers of representation.)
  - Cost factors during foundation
    - Any advisory fees
    - Possibly, registration in the register of commerce
  - Costs of foundation
    - Approx. CHF 250 (only if registration in register of commerce is made)
- Liability:**
- With complete business and private assets (care required with real estate)
- Taxes:**
- Proprietor is taxed together on both business income and private assets.
- Recommendations
- In cases of limited business risk
  - Simple form of company
  - Great freedom for proprietor
- Advantages**
- No minimum capital required
  - Simple, inexpensive foundation
  - No double taxation
  - Unlimited liability of the proprietor
- Disadvantages**
- Undivided responsibility of the company proprietor