

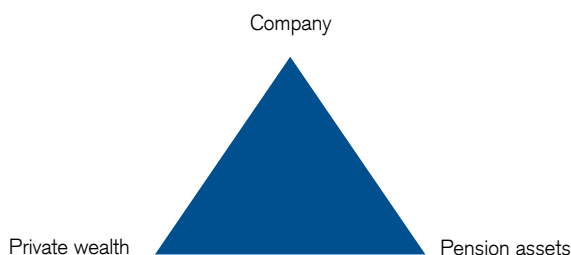
# Income and asset structuring for entrepreneurs

## Optimize private asset accumulation at an early stage

Entrepreneurs create economic value through their business activities. This value initially exists as assets in the company, and the shares in these assets are often part of an entrepreneur's private wealth. There are many options for transferring the value that has been created to a business owner's private wealth or to build pension assets. Optimal management creates a cycle in which private wealth and pension assets are continuously built up and expanded.

### Guiding private wealth accumulation

Experts from Credit Suisse analyze the overall structure of the company's assets while looking at three core elements:



This sets the stage for the cycle of building private wealth and pension assets:

- Analysis of the three elements of total wealth as depicted above
- Identification of open and hidden reserves and non-business-critical assets (liquidity, etc.)
- Design of an overall structure from the owner's viewpoint
- Definition of a withdrawal strategy for owners



### Optimizing entrepreneurs' compensation: Salary vs. dividends

Due to the ongoing changes in the corporate environment and the variations in performance of the company, it is advisable to conduct regular reviews of the withdrawal strategy and the use of funds:

- Salary and bonus: Income tax and social security contributions
- BVG contributions: Employer contributions and management plans
- Dividends: Building private wealth

### Review of the shareholders' withdrawal strategy

Changes in the regulatory environment in recent years (especially CTR II<sup>1</sup>) and upcoming revisions of the relevant legislation (TRAF<sup>2</sup>) have created opportunities to optimize the withdrawal strategy. The coordination of various payout mechanisms is essential here:

- Dividends: Privileged dividend taxation
- Capital repayments
- Shareholder loans
- Dividend recapitalizations

<sup>1</sup> CTR: Corporate Tax Reform

<sup>2</sup> TRAF: Tax Reform and AHV Financing

By analyzing the company's financial statements in detail, we can identify potential options for optimizing the withdrawal strategy for shareholders.

### **Optimizing company assets: Shares as part of private wealth**

Shares held as private assets are valued by cantonal authorities on an annual basis. These values have an impact on the private wealth tax. Private wealth can be optimized with various measures:

- Review of the corporate valuation, including assessment of corporate and business risks
- Analysis of the corporate structure
- Analysis of further possible measures in the context of the upcoming tax reform

Current changes in tax legislation (TRAF<sup>3</sup>) present risks and opportunities for entrepreneurs. A personalized analysis provides clarity and room for maneuver.

3 TRAF: Tax Reform and AHV Financing

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### **Contact us**

We will be happy to arrange a personal consultation.  
Call us at +41 848 880 840.\*

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\* Telephone calls may be recorded.

### **CREDIT SUISSE (Switzerland) Ltd.**

P.O. Box 100  
CH-8070 Zurich  
**[credit-suisse.com](https://credit-suisse.com)**

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