



Experts from abroad

Do you know the legal regulations?



Attention – Traps ahead.

DO YOU EMPLOY SPECIALISTS FROM ABROAD?

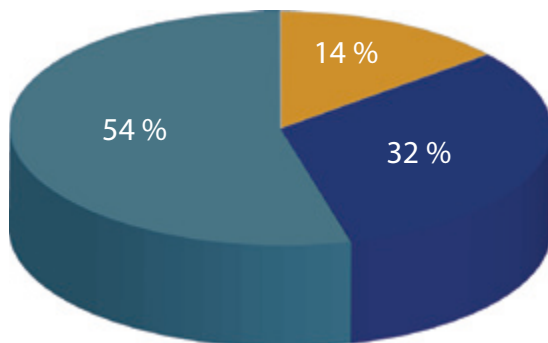
Today professionals are highly in demand, especially in Switzerland. As the high demand for specialists cannot be covered by local experts, an increased demand for freelancers from abroad exists to fill the gap.

DO YOU KNOW THE LEGAL REGULATIONS?

Temporary placement of professionals from EU states and other countries present many potential pitfalls for Swiss companies. Residence permit, social security contributions, and withholding tax are key factors, which, when not handled compliantly, are punished with sanctions and severe fines by Swiss authorities.

IT IS JUST A QUESTION OF TIME...

To detect violations of law, SECO has carried out more than 9.000 inspections per year since 2008. Non-compliances were found in about 44 % of controlled cases, most of them being violations of social security law, which were discovered during routine checks.



THE WESTHOUSE SERVICE PORTFOLIO.

Westhouse provides you with a comprehensive service portfolio to pass every inspection regarding legal regulations.

100% COMPLIANCE.

We handle the processing of residence permits, clarify the social security coverage of the freelancers and support you in all questions concerning withholding tax. Depending on the particular situation, Westhouse offers different solutions tailored to your individual needs.

OUR KNOWLEDGE – YOUR SECURITY.

Our employees can look back on many years of experience and are in constant exchange with the Swiss authorities. Thus, we guarantee optimal handling in accordance with the current laws.

Distribution of suspected violations

- social security law
- immigration law
- withholding tax regulations



Example 1 – Investigations Initiated.

An experienced German SAP-Consultant is contracted for a one-year project at a major bank in Basel. Equipped with his German passport the freelancer starts to work at the place of employment, without any further concerns. During a routine review by the "Ministry of Economy and Work" it turns out that the consultant is working without a valid residence and work permit.

Due to working without necessary permits, freelancer and employer are fined with CHF 20.000 each. The freelancer is deported immediately to Germany.



Example 2 – Additional Payment and Fine.

A large Swiss company regularly employs IT professionals from EU states.

During a regular audit by the cantonal tax office discrepancies arise while comparing salary data and actual tax payments. An investigation against the company is initiated. In the end, the company not only has to bear the withholding tax for several years for all its contractors, but also is fined with CHF 100.000.

Example 3 – Excluded from Public Contracts.

A Swiss telecommunications company employs several foreign programmers and IT professionals for the realization of a long-term project without claiming the necessary certificates concerning the social security for migrant workers and without registering the affected employees at the local SVA.

Due to the disregard of its reporting and approval requirements pursuant to social security and immigration law, the company is convicted and fined with a penalty of CHF 50.000. If this happens again, the company's board will be held responsible with a minimum of one year imprisonment. For the duration of one year, the employer is also excluded from public procurement contracts.

OUR SERVICES

Your contact partner for questions about the legal situation in Switzerland.

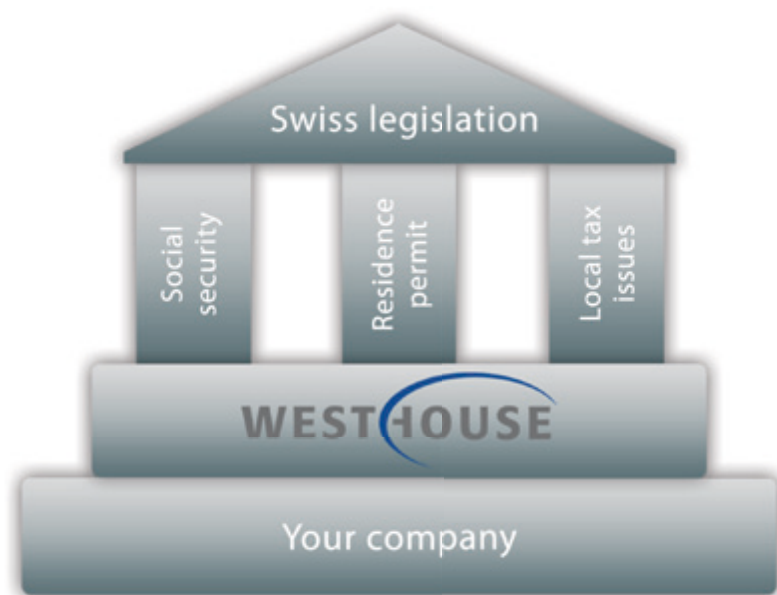
Westhouse is your contact partner for questions regarding the legal situation in Switzerland.

We offer a comprehensive portfolio of services and act as a link between your needs and Swiss legislation.

We are happy to take over the handling of residence permit, the clarification of the social security protection and will support you in all questions concerning withholding tax.

Benefit from our knowledge to always act in 100 % conformity with the current laws and regulations. In addition, Westhouse can support you as a partner in many other areas.

For more information about our service portfolio please follow this link: www.westhouse.ch.



POINT OF CONTACT

Contact us – we're looking forward to hearing from you.

About the author

Lars Gawenda has been working for Westhouse Schweiz AG for several years now, dealing extensively with the specific aspects of working in Switzerland. Many years of experience and a steady exchange of information ensure that the completion of formalities meet the requirements of the Swiss authorities.

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