

INFORMATION SHEET: ON PILLAR 3A IN SWITZERLAND

Pillar 3a is a voluntary, tax-privileged pension plan in Switzerland. It allows people of working age to save for their retirement in addition to the AHV (1. pillar), and occupational pension provision (2. pillar/BVG/PK), and to benefit from tax advantages.

2. Comparison: employees vs. self-employed persons

Criteria	Employees with 2. pillar	Self-employed with 2. pillar	Self-employed without 2. pillar
Maximum payment 2025	CHF 7'258 per year	CHF 7'258 per year	20% of net income, max. CHF 36'288
Tax deductibility	Fully deductible from taxable income	Fully deductible from taxable income	Fully deductible from taxable income
Capital withdrawal	Possible from 5 years prior AHV age	Possible from 5 years prior AHV age	Possible from 5 years prior AHV age
Advantages	Tax savings, additional pension provision	Tax savings, additional pension provision	Higher deposit options and tax benefits

3. Differences: Account with insurance company or bank

Characteristic	Bank account	Insurance policy
Flexibility	High flexibility for deposits and withdrawals	Regular payments required, limited adjustment options
Interest rate	Dependent on market conditions	Guaranteed interest possible, but often low
Risk	Market and interest rate fluctuations	Security through guaranteed benefits
Supplementary insurance	None	Can be combined with life insurance (e.g. death or disability insurance)

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Characteristic	Bank account	Insurance policy
State security	Up to CHF 100'000 in retirement capital is guaranteed by the state	No state security

4. Tax adjustments from the 2025 tax period

From 2025, the following tax changes will apply to pillar 3a:

- Higher maximum payment: The upper limit for employees and self-employed persons with a pension fund pension fund increases (CHF 7'258 for salaried employees, CHF 36'288 for self-employed persons without a 2. pillar pension fund).
- Uniform taxation of lump-sum withdrawals: Harmonization of tax regulations at federal and cantonal level federal and cantonal level to limit tax optimization through staggered withdrawals. limit tax optimizations through staggered withdrawals.
- More flexibility for withdrawals: Partial withdrawals for certain life situations should be made easier.
- Retroactive back payments in gaps: From 2025, it will be possible to make missed payments retrospectively in order to close contribution gaps.