

**Department III**

Börsenstrasse 15  
P.O. Box, CH-8022 Zurich  
Telephone +41 58 631 77 00  
Fax +41 58 631 50 71  
www.snb.ch

Zurich, 18 May 2022

Money Market

**This is an English translation of a German original.  
Only the German original text is authoritative and legally binding.**

---

## **Collective investment schemes as participants in the repo system**

### **Equal treatment with regard to withholding tax**

Dear Sir/Madam

Since 2 September 2019, the Swiss National Bank has enabled domestic collective investment schemes which are subject to FINMA supervision and which meet certain requirements to obtain admission to the SIC system and to hold sight deposit accounts at the SNB, and thus to participate in the Swiss franc repo market. The admission of collective investment schemes is aimed at promoting liquidity on the secured money market and thereby increasing the stability and crisis resilience of the financial system. To create conditions conducive to achieving this, all repo transactions settled via the SIX Repo Ltd electronic trading platform must be treated equally in terms of tax.

The Swiss Federal Tax Administration (SFTA) approved a change to the administrative practice on withholding tax with regard to repo transactions conducted with domestic collective investment schemes subject to FINMA oversight, as follows:

‘Repo transactions with domestic collective investment schemes subject to FINMA supervision,<sup>1</sup> conducted in domestic and foreign currency, settled via the SIX Repo Ltd electronic trading platform and cleared via SIX SIS Ltd, are exempt from withholding tax, irrespective of whether the collective investment scheme acts as a cash provider or a cash taker, whether the collective investment scheme’s counterparty is a bank or a non-bank or

---

<sup>1</sup> These include fund management companies which conduct repo transactions for collective investment schemes, investment companies with variable capital (SICAVs), investment companies with fixed capital (SICAFs), and limited partnerships for collective investment (LPs).

whether the collective investment scheme is subject to withholding tax for any other type of transaction.’

The SFTA has authorised the SNB to communicate this change in administrative practice to the participants in the repo system.

Please do not hesitate to contact us should you have any questions.

Yours sincerely  
Swiss National Bank

Thomas Moser  
Alternate Member of the Governing Board

Roman Baumann  
Head of Money Market