



ABT NEWS (An advisory article by Treuhand Suisse – February 2026)

Inheritance and bequests for private individuals and entrepreneurs

The revised Swiss inheritance law has been in force since January 1, 2023, and offers more flexibility thanks to reduced compulsory portions, i.e., more free quota for wills and inheritance contracts. This opens up more possibilities for distributing inheritance in the private sphere. It also facilitates succession planning for family businesses, thereby helping to ensure the continuity of the business.

Case study: Entrepreneur Max Muster

Max Muster (65) lives in Zurich and runs a family business (turnover CHF 5 million). He is married to Anna (62) and has two children, Lukas (35, works in the business) and Sofia (32, does not work in the business).

His assets include the SME (operational, not freely divisible) and other private assets, totaling CHF 8 million, of which CHF 6 million is in the business. Max dies in 2026 without a will or inheritance contract.

What happens without a settlement:

Without a disposition of property upon death, statutory succession applies: the spouse and descendants share the estate according to the quotas set out in the Civil Code (Anna receives half, Lukas and Sofia together receive the other half). For the company succession, this often means that the company “ends up” in a community of heirs consisting of Anna and the two children, Lukas and Sofia. Without an agreement, this can lead to blockages, forced sale, or liquidation – because even the revised inheritance law currently in force does not contain any special provisions that would automatically facilitate a takeover by one of the children. It is therefore crucial that Max Muster takes active steps during his lifetime to ensure that his wishes are carried out and that the company can continue to operate.



Current adjustments (private and business):

Since January 1, 2023, the statutory compulsory portions (spouse and descendants each receive 1/2 of the statutory inheritance claim) can be reduced by half. This results in a higher free quota (50 percent) for succession solutions. It is precisely this additional leeway that is crucial in practice for entrepreneur Max Muster, because it means that Lukas, who works in the business, can be allocated more assets – but still only within the framework of compulsory portions and matrimonial property law.

Important: Inheritance tax in Switzerland is regulated at the cantonal level and varies greatly depending on the canton and degree of kinship; in many cantons, direct descendants enjoy tax privileges, while non-relatives may be subject to significantly higher taxes.

What if: The situation would be different

Precaution number 1: If Max Muster had drawn up a will, he could use the free quota (50 percent) that applies today and allocate the company shares more specifically to his son Lukas, as long as the compulsory portions of his wife Anna and his daughter Sofia are preserved.

Precaution number 2: If Max had also concluded an inheritance contract (e.g. with Sofia), waiver or compensation arrangements could be planned in a more binding manner, which typically reduces conflicts among the community of heirs in SMEs.

Precaution number 3: If Max had become incapable of making decisions (instead of dying), a properly drafted power of attorney could prevent key decisions on company management and asset management from being made in an uncoordinated manner or being controlled by the authorities.

It is advisable to seek professional help when drafting these documents to ensure that they are clear, legally compliant, and therefore less contestable.

Typical pitfalls and their consequences:

- No will or inheritance contract: Legal succession forces the division of the company and can lead to disputes or even bankruptcy.
- Incorrectly calculated compulsory portions: Children/spouses can demand reductions (gifts), which can lead to reduction lawsuits and estate corrections.
- Underestimated liquidity: Compensation payments to co-heirs can effectively block the internal family takeover.
- Cantonal inheritance tax ignored: Depending on the canton/degree of kinship, the tax burden can vary greatly; high taxes may apply for non-relatives.
- Lack of a lasting power of attorney: In the event of incapacity, there is a risk of unplanned interventions and a lack of capacity to act.
- Forgetting pillar 3a: Previously, pillar 3a assets were part of the estate, but today they are excluded.



Recommended actions

- Private individuals without a business: Review/update your will and deposit it with a notary, have the compulsory portions calculated accurately.
- Patchwork/cohabitation: Structure inheritance contracts and benefits via free quotas particularly carefully, taking cantonal inheritance taxes into account.
- Entrepreneurs with active successor children: Draw up a will/inheritance contract with clear allocation, valuation/compensation logic, and liquidity plan (e.g., insurance, financing).

For everyone: draw up a lasting power of attorney and keep it accessible (including provisions for company management).

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