



Schweizerische Eidgenossenschaft
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Confederazione Svizzera
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Eidgenössisches Finanzdepartement EFD
Eidgenössische Steuerverwaltung ESTV



Car export / fictitious input tax deduction



Legal basis

2010

Change from margin taxation for cars to fictitious input tax deduction; For all individualizable / used items possible

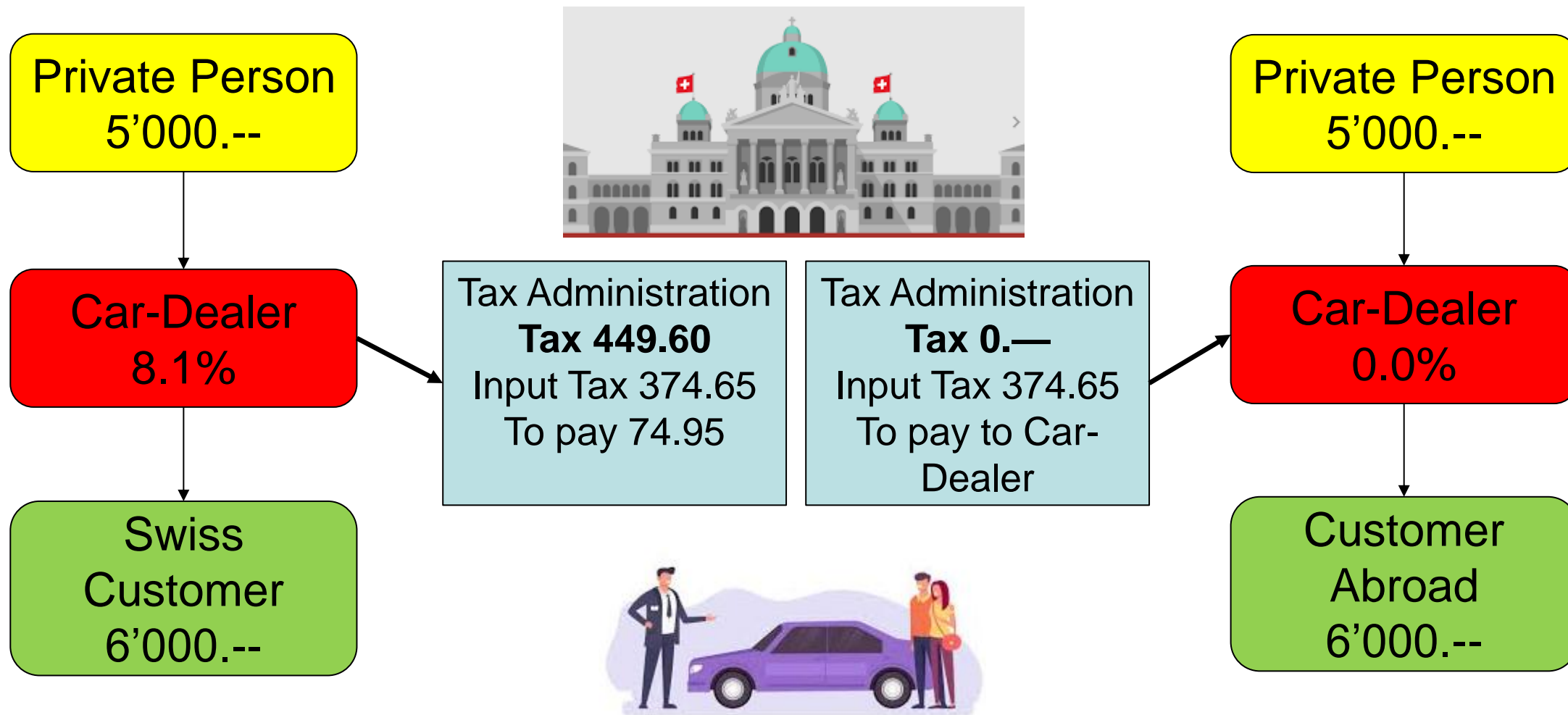
Deduction only possible if resale takes place domestically

2018

Fictitious input tax deduction may also be made if this goods are exported.



How does it work?





Fraudulent schemes when buying a vehicle

1. Chassis numbers are used twice



2. Invoices are issued with incorrect / fake amounts



3. Vehicle is fictitious, does not exist





Fraudulent schemes in vehicle sales



1. More vehicles on the export documents than were actually exported

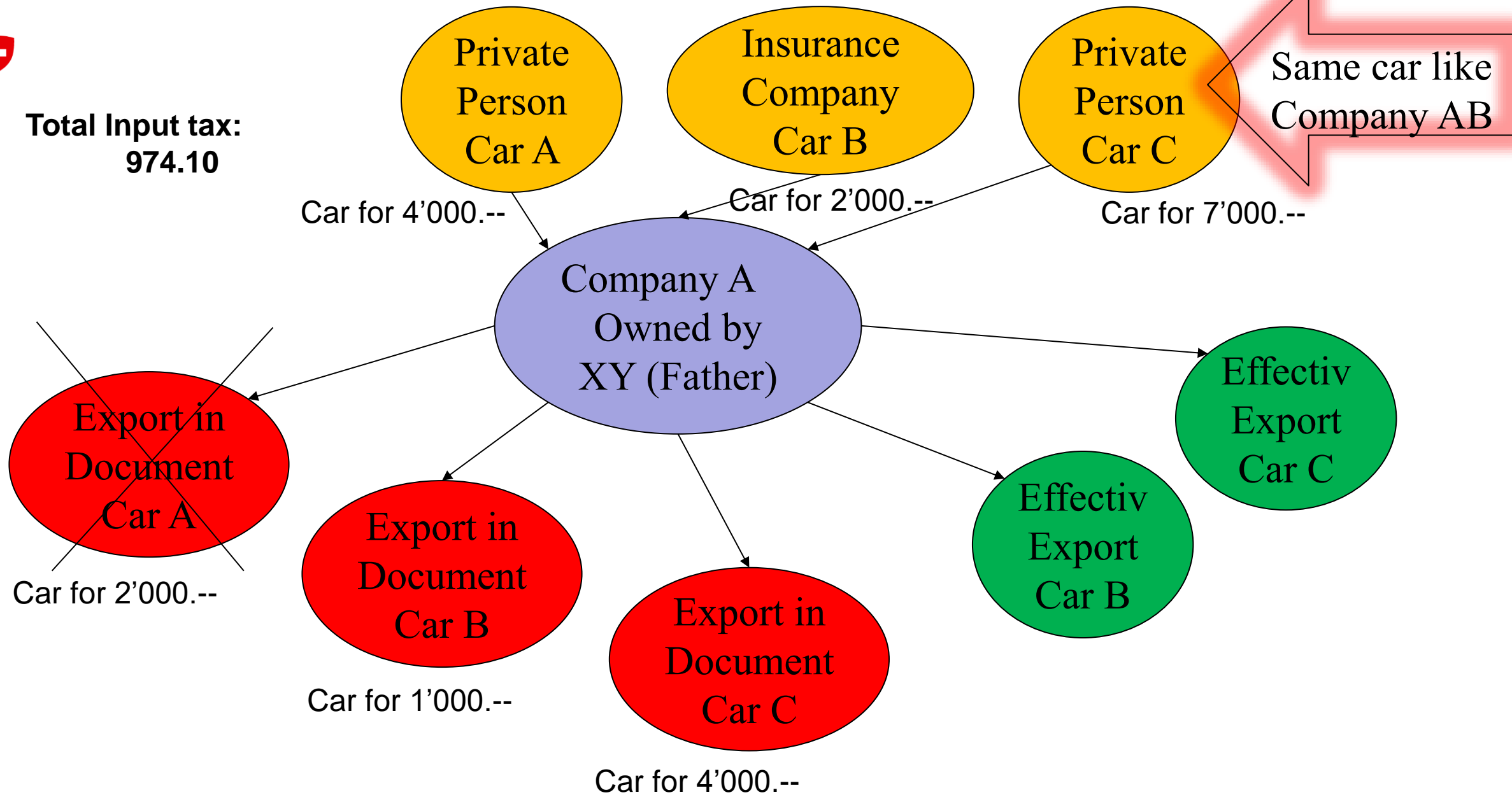
2. Invoice amount is reduced for export purposes



Invoice		
10 June 2020 Invoice No. 12345		
BILL TO:		
Mazelle Anderson +123-456-7890		
DESCRIPTION	PRICE	SUBTOTAL
30x Social Media Post Design	\$20.00	\$600.00
5x Furniture	\$100.00	\$500.00
1x Interior Design	\$700.00	\$700.00
1x Architecture	\$1000.00	\$1000.00
SUBTOTAL	TAX (20%)	TOTALS
\$2800.00	\$560.00	\$3360.00
Payment Information		Bank/Head
Studio 1000 Bank: Ready Street Bank Account No: 8123 4567 8901		123 Anywhere St, Any City, ST 12345 +123-456-7890 hello@readystreetbank.com

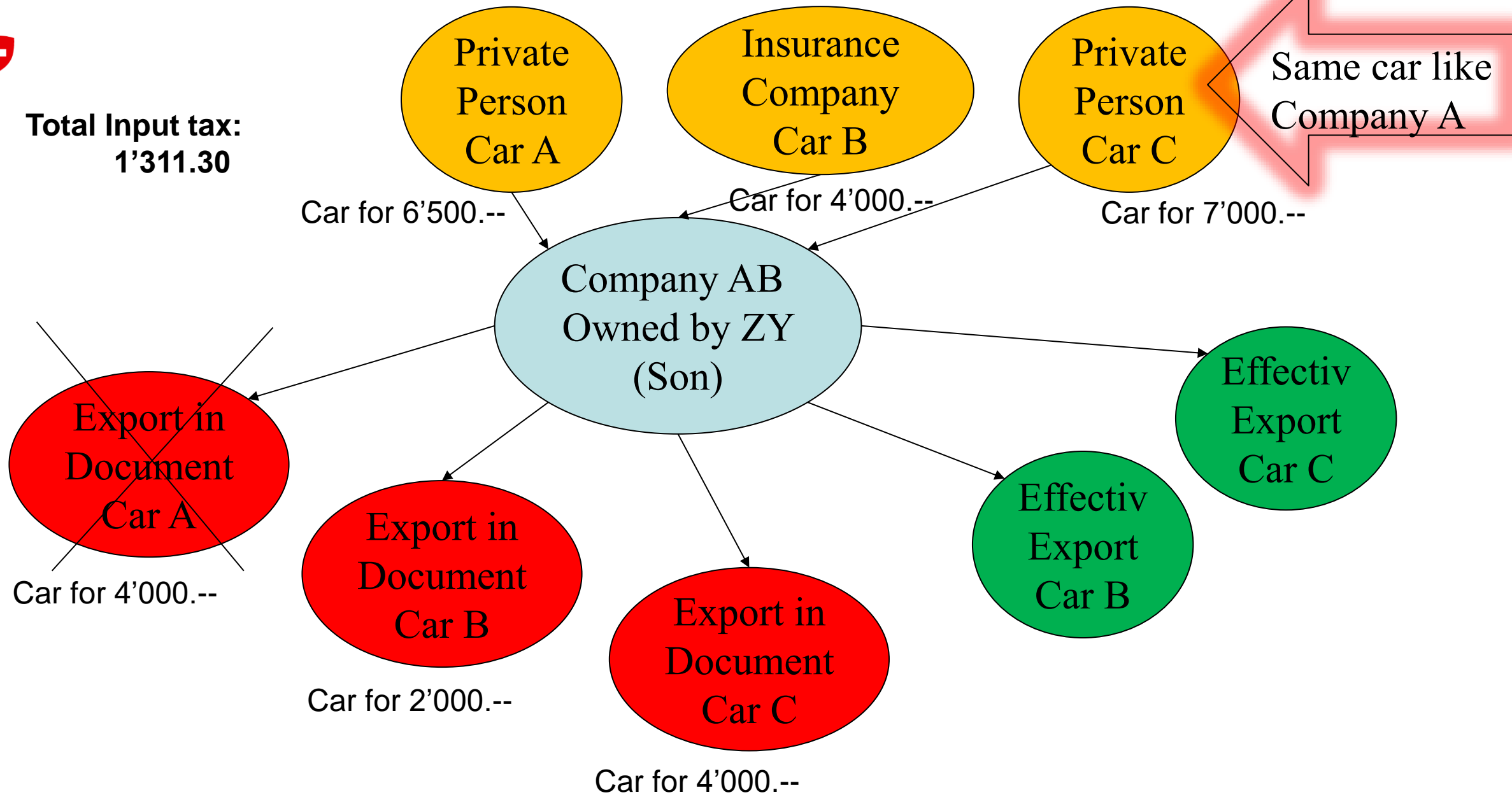


**Total Input tax:
974.10**





**Total Input tax:
1'311.30**





Fraudulent schemes Results

Two cases more/less done

1. Case

Input tax charged back CHF 1,2 Million (same in Euro)

2. Case

Input tax charged back CHF 1.5 Million

Many other cases still being processed



Our Problems / Questions

- Selling cars abroad is attractive
- The number of car dealers who almost exclusively export cars has risen sharply since 2018. We suspect that some of them are just strawmen.
- We do not know the purchase prices, especially when the cars are bought from private individuals. It's easy to create a receipt. Purchases are almost exclusively made in cash.
- Cars are exported at a lower value than they were purchased in Switzerland. Can Switzerland tax the difference?
- If the vehicles become “cheaper,” not enough import tax is paid in the importing country.