

Your personal checklist for founding a sole proprietorship

First phase: Preparation

The preparation phase for starting a business is the most time-intensive. But you will save on complications when you start your business if you have all your documents together and have already clarified details such as insurance, authorizations and financing.

Generally, you should be able to tick off these points on the checklist:

Make a business plan: Before you can start your actual preparations, you have to know what your company's concept will be.

Clarify legal issues: What contracts will you need during your activities? Find answers to this question promptly and prepare them before you start your activities.

Get authorizations: Before you start, you should know which authorizations your work requires and get them.

Declare self-employment: As a sole proprietorship, your company is not a legal entity and does not have its own legal entity; you as the owner and natural person must be the legal entity. You should therefore declare to your compensation office as soon as possible whether your activity fulfils the preconditions of self-employment under AHV insurance law.

Clarify insurance issues: Get offers for occupational insurance. What you have to insure depends on whether you have employees or not, and what industry they are active in.

→ [Find out more about insurance for companies](#)

Get tax advice: A new company also changes your tax situation. Get advice on how your taxation and progression levels are likely to change.

Secure financing: A sole proprietorship does not need start-up capital but, depending on the activity, you may need to make investments and arrange funding. As soon as your financing is planned and secured, you can open a business account with your bank. More information on [opening a business account](#) can be found at 'Business account in CHF: The basis for payment transactions'.

Organize premises: If you need premises for your activity, you must of course find and finance these. Don't forget that you usually have to pay for several months as a rental deposit.

Choose your company name: Creative preparation is just as important. Remember though that your last name must be included in the company name of a sole proprietorship.

Buy domain names: You need a website and a domain for your digital presence. Check that the domain name you want is available and buy it.

Create your company's visual appearance: Create a logo and a brand identity to support your brand both online and offline. According to the Swiss Code of Obligations, you must state the company listed in the commercial register, or the name given there, on official documents like correspondence, invoices and order forms. Of course, you can add extras like short names, logos, business descriptions, signs and similar details.

Protect your logo: Perhaps you'd like to protect your logo. If so, you must register it with the Institute of Intellectual Property.

Check your obligation to be entered in the commercial register: From an annual income of CHF 100,000, you are obliged as an 'activity of a commercial nature' to register your sole proprietorship in the commercial register. Consider whether it makes sense for you to register your company even below this annual income.

Second phase: Get started

After a more intensive preparatory phase, the actual founding of a sole proprietorship is completed in just a few steps. In sole proprietorships, you don't have to specify capital, payment under subscription or structural organization or appoint governing bodies. Instead, you must consider the following points:

Start your business activity: The sole proprietorship is founded as soon as you start your activity.

Prepare commercial register registration: If you have decided to register in the commercial register or you are legally required to do so, prepare the information and documents (company name, political municipality of the head office, address, scope of activity, your personal details as owner, copy of owner's passport or ID document).

Registration requires your officially certified signature and must be submitted to the relevant cantonal Commercial Registry by post or in person.

Get your signature officially certified: Since you need an officially certified signature for registration with the Commercial Registry, you must have this certified by a notary, municipal official or at the counter of the Commercial Registry Office before you submit your registration. This service costs between CHF 10 and CHF 30.

Register with the Commercial Registry: Send your prepared documents for registration or deliver them in person. And order an extract from the commercial register. Depending on the form of enterprise, different fees are payable for new entries in the commercial register. → [Continue to complete overview of fees for entries in the commercial register at fedlex.admin.ch](#) (German).

Organize accounting and financial reporting:

Consider how you want to organize your accounting and financial reporting. You are only obliged to keep official accounts from a sales revenue of CHF 500,000. Below this threshold, you need only show your income, expenses and assets.

Register with the compensation office: Register with your cantonal compensation office.

Third phase: Fine-tuning

Even after the actual founding of your sole proprietorship, there are a few points to consider:

Check your VAT obligation: Are you liable for VAT?

Find out! Basically, you are liable for VAT from an annual turnover of CHF 100,000 from taxable services in Switzerland. If you meet this criterion, you must register with the Federal Tax Administration within 30 days.

Confirm insurance: Confirm your personal and any necessary property insurance. → [Find out more about insurance for companies](#)

Open a business account: You should open a business account that is separate from your private account at the latest when you start your activities.

Appoint a fiduciary: Perhaps you don't want to do all the administrative work yourself. It's advisable to choose a fiduciary early on who can support you.