



**Application requesting authorisation for the supplier (seller)
to apply the special rules for tourist groups (tax exemption at source)**

Introduction

The following explanations are based on the Ordinance of the FDF of 24 March 2011 on the Tax Exemption of Domestic Supplies of Goods for the Purpose of Exportation in Tourist Traffic (SR 641.202.2; Exportation in Tourist Traffic Ordinance). Additional information on exportation in tourist traffic for shop sales ("tax-free for tourists") as well as on **tourist groups** can be found on the Federal Tax Administration (FTA) website (www.estv.admin.ch > *Topics* > *Value added tax* > *VAT refund – Tax free* > *Tax free*).

Suppliers (sellers) subject to tax can sell goods tax-free in Switzerland to members of foreign escorted tourist groups provided they meet the requirement of Article 7 of the Exportation in Tourist Traffic Ordinance and have corresponding authorisation from the FTA (authorisation to apply **special rules for tourist groups**). In this case, it is not necessary to leave the country via a manned Swiss customs office or subsequently obtain confirmation from a recognised office abroad.

However, goods may also continue to be supplied tax-free to foreign escorted tourist groups without application of the special rules for tourist groups. In this case, proof for tax exemption is to be provided with extended evidence in accordance with Articles 4-6 of the Exportation in Tourist Traffic Ordinance (e.g. an export document confirmed by the Federal Office for Customs and Border Security FOCBS).

The basic prerequisites for tax exemption in accordance with Article 1 of the Exportation in Tourist Traffic Ordinance remain the same irrespective of whether the special rules for tourist groups are applied or whether proof for tax exemption is provided with confirmed export documents (Art. 4-6 of the Exportation in Tourist Traffic Ordinance).

Confirmation of the applicant (supplier)

The undersigned supplier subject to tax confirms that he is familiar with the requirements for application of the special rules for tourist groups in accordance with Article 7 of the Exportation in Tourist Traffic Ordinance, and undertakes to comply with them. This means the following:

1. Goods are sold without VAT directly in the shop (within Switzerland) exclusively to members (buyers) of foreign escorted tourist groups. In order to qualify as a foreign escorted tourist group, **all** of the following criteria must be met:
 - The tourist group consists of at least two members who bought an organised tour from a commercial tour operator active in the travel industry.
 - The tourist group is accompanied by a commercially active tour guide from the time of group entry in Switzerland to group departure from Switzerland. The tour guide does not necessarily have to be present when the tourist group arrives in and leaves Switzerland. It is possible for the tour guide to meet the tourist group directly after arrival in Switzerland and to leave the group again directly before departure (e.g. at the airport).
2. For each escorted tourist group, the supplier has a declaration signed by the commercial tour operator or commercially active tour guide that confirms the following:
 - None of the members of the group is domiciled in Switzerland.
 - All of the tour members entered the country together and will leave together within 30 days after receiving the goods bought from the supplier.

3. For each escorted tourist group, the supplier receives the following details and documents from the commercial **tour operator** or commercially active **tour guide**:
- List of the tour members, indicating their full names and the number of their official identity documents;
 - Details concerning the start and finish of the trip;
 - Details concerning the time of entry and departure;
 - Schedule;
 - Route;
 - Declaration signed by the commercial tour operator or commercially active tour guide (as described in section 2 above);
 - Proof that the trip was offered by a commercial tour operator active in the travel industry (e.g. evident from commercial documents or electronic documents of the tour operator or tour guide).

Furthermore, the **supplier** issues:

- An export document with the necessary contents in accordance with Article 3 of the Exportation in Tourist Traffic Ordinance for each individual buyer, together with a copy of the official identity document of each buyer (customer).
4. The supplier must file the aforementioned documents (and details) together for each tourist group, and present them to the FTA upon request (e.g. within the scope of a VAT check).

The FTA recommends distinguishing between the tax-free turnover based on the special rules for tourist groups and the other tax-free turnover (e.g. sales for which there is an FOCBS assessment decree) both in terms of accounting and in the cash register system.

The FTA can revoke the authorisation at any time in the event of indications of improper application. The **authorisation** is in the **name of the applicant (supplier)**, and cannot be transferred to third parties.

Name / Company:

Type of activity:

Business address:

Postal code / City/town:

Telephone number and name of contact person:

VAT No. in UID format: CHE-

Place and date Company stamp and signature of applicant

Incomplete applications cannot be processed.

Authorisation

Application of the special rules for tourist groups is authorised from: _____

Bern,

Main Value Added Tax Division
Collection Division