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PRESS RELEASE

Canton Zug to accept cryptocurrencies for tax payment beginning in 2021

Beginning in 2021, taxes in the Canton of Zug can be paid using the cryptocurrencies Bitcoin and Ether. This is made possible thanks to a collaboration with Bitcoin Suisse, a pioneer in the Swiss Crypto Valley. Zug thus becomes the first Swiss canton in which taxes can be paid with cryptocurrencies.

With this step, the Canton of Zug once again confirms its role as a pioneer in the blockchain technology space as it becomes the first Swiss canton to offer the option of paying taxes with cryptocurrencies. This new means of payment will be accepted by the cantonal tax administration from February 2021.

Canton of Zug promotes cryptocurrencies

The Canton of Zug is home to a large number of companies in the crypto industry. «As the home of the Crypto Valley, it is important to us to further promote and simplify the use of cryptocurrencies in everyday life», says Finance Director Heinz Tännler, adding: «By enabling the payment of taxes with Bitcoin or Ether, we are taking a big step in this direction.» Tax settlement by means of cryptocurrency will be available to both companies and private individuals up to an amount of CHF 100,000. Partial payments will not be accepted. A pilot will take place in the coming weeks to test the processes so that everything is ready for the upcoming tax season beginning in February 2021.

Applying for a QR code through the tax administration

In order to be able to offer tax settlement with cryptocurrencies, the Zug Department of Finance is working together with Bitcoin Suisse, a company based in the Canton of Zug. Those wishing to pay a tax bill with cryptocurrencies may contact the cantonal tax office. They will then be provided the necessary QR code for payment, most often via email. Finance Director Heinz Tännler states clearly: «We do not take any risk with this new payment method, as we always receive the amount in Swiss Francs, even if payment is made in Bitcoin or Ether.» Thus, the volatility of crypto exchange rates has no influence on the final payment in Swiss francs.

Cooperation with Bitcoin Suisse

The Zug Department of Finance has decided to work together with Bitcoin Suisse, a crypto-financial services company founded in 2013. Bitcoin Suisse brings more than seven years of experience in crypto technology and payments to the partnership with the Canton of Zug. Dr. Arthur Vayloyan, CEO of Bitcoin Suisse, said: «The combination of trading technology and payment transactions with crypto-currencies enables us to provide a good user experience for the taxpayer and to offer a proven service to the Canton of Zug.» Bitcoin Suisse has helped shape the crypto and blockchain ecosystem in Switzerland and has been a driving force in the development of the «Crypto Valley» and the «Crypto Nation Switzerland.» As a regulated Swiss financial intermediary, which is currently in the licensing phase for the Swiss and Liechtenstein banking license, Bitcoin Suisse offers prime brokerage, custody, crypto payments, collateralized loans, staking, tokenization and other crypto-financial services for private and institutional clients.

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