

ABOLITION OF THE RENTAL VALUE

In Switzerland, the abolition of the "rental value" (a notional income added to the taxable income of homeowners who occupy their own homes) was approved by the people in a national vote on September 28, 2025.

This abolition will **not immediately** become part of tax law. Effective implementation is **scheduled for January 1, 2028, at the earliest**.

In practice, this means that **for tax returns, rental value should still exist for the 2025, 2026, and 2027 tax years**. It **will be abolished for returns from the 2028 tax year** onwards, so generally from the return you file in 2029 for 2028 income.

In return, most tax deductions related to owner-occupied property will also disappear: no more deductions for **mortgage interest, maintenance and renovation costs, or energy efficiency measures**, at least at the federal level (some deductions may remain at the cantonal level until 2050).

If you already have renovation projects (maintenance, equipment replacement, energy efficiency improvements) **plan these works before the reform comes into effect**—you will still be able to **deduct it in your current tax returns**.

In this context:

If your projects are financially significant:

- Spread them out intelligently over **1 to 3 years** before the reform is implemented.
- By having the work invoiced in different tax years, you **spread the expenses** and maximize deductions before they are eliminated.