

Liechtenstein and Switzerland Sign Mutual Agreement on Implementation of Mutual Agreement Procedure Under Tax Treaty

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Report from IBFD Tax Treaties Unit

According to an update of 18 December 2023, published by the Swiss Federal Tax Administration, Liechtenstein and Switzerland signed a [mutual agreement](#) to establish the mode of application of the arbitration process provided for in paragraph 5 of article 25 of the [Liechtenstein - Switzerland Income and Capital Tax Treaty \(2015\)](#), as amended by the 2020 protocol. The signing of the agreement took place in Bern on 7 December 2023 and in Vaduz on 11 December 2023.

This agreement applies to all requests for arbitration pursuant to paragraph 5 of article 25 of the treaty made after the entry into force of this mutual agreement, with the exception of paragraphs 6 to 8, which will apply only to cases where the request for the initiation of a mutual agreement procedure made pursuant to paragraph 1 of article 25 of the treaty was submitted after entry into force of this mutual agreement.

For mutual agreement procedures that have already been initiated at the time this agreement was concluded, the competent authorities will determine the start date pursuant to paragraph 6 by another mutual agreement. Further developments will be reported as they occur.