

Specification of distributions on account statements

The capital gains (rate changes) and investment income (dividends, interest) generated over the year are counted towards the price of the respective strategy's share certificates. However, since investment income counts as taxable income, it must be shown separately for the tax return once a year. Capital gains are tax-free in Switzerland.

Investment income is therefore shown as a distribution (non-recurrent credit item) on the 2nd quarter account statement in April. At the same time, the price of the share certificates is reduced by the amount of the distribution. On balance, the value of the investment thus remains the same. However, the dividend tax of 35% will be deducted from the distribution amount.

On the tax return, the distribution must be declared as investment income. The 35% dividend tax will then be refunded.

Example:

Account balance before distribution	CHF 5,000.00
Number of share certificates in account	49.0196
Price of share certificates in March	CHF 102.00
Investment income	CHF 2.00
Price of share certificates after distribution	CHF 100.00
Return in April	0%
Distribution (49.0196 x CHF 2.00)	CHF 98.04

	CHF	Price	Shares	Balance in CHF
Monthly balance, end of March		102.00	49.0196	5 000.00
Distribution	98.04	100.00	0.9804	
Dividend tax	-34.31	100.00	-0.3431	
Monthly balance, end of April		100.00	49.6569	4 965.69

In the distribution month, the assets are thus reduced by the dividend tax.