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OECD ANNOUNCES NEW INTERNATIONAL TAX TRANSPARENCY FRAMEWORK FOR OFFSHORE REAL ESTATE

The announced entry into force in 2029 of the Automatic Exchange of Information (AEOI) relating to real estate properties situated abroad comes on top of the AEOI introduced under the Common Reporting Standard (CRS) on financial accounts (which came into force in Switzerland on 1 January 2017), as well as its extension to cryptocurrencies through the CARF Crypto Asset Reporting Framework, which introduces new due diligence and reporting obligations for financial institutions, cryptocurrency service providers and digital platforms. This expanded AEOI framework provides for an first exchange of information in 2027.

Based on the official OECD announcement of 4 December 2025 ([see 'OECD welcomes pledge by 26 jurisdictions to implement new international tax transparency framework for offshore real estate'](#)), the AEOI on overseas real estate properties ensures a significant extension of international tax transparency for the benefit of the tax authorities of the countries where the property owners are tax resident.

This OECD initiative, endorsed by no fewer than 26 countries and the G20, aims first and foremost to combat tax evasion in the real estate property sector, thereby seeking to close a significant gap in the tax compliance obligations of taxpayers with property abroad.

The sharing of data and information on property ownership relates to data held by the competent authorities of the country where the property is situated and covers:

- all details of the property and its ownership, whether held personally or through a corporate structure or other vehicle, including the identification of the latter and its beneficial owners;
- information (including financial details) on the acquisition and disposal of the property;
- property income.

With the standardisation of data collection on the above (including information on beneficial owners for properties registered in the name of corporate structures or dedicated vehicles) and their automatic sharing with the Swiss tax authorities, primarily the Federal Tax Administration, the Swiss authorities will gain full visibility of foreign property holdings and all income, assets and financial elements arising annually from such ownership.

It goes without saying that, with the AEOI on foreign real estate properties, the tax authorities will have the information required to verify individual taxpayers' tax compliance and identify any failures to meet tax reporting obligations.

For taxpayers subject to unlimited and ordinary taxation in Switzerland, we recommend carrying out the necessary legal and fiscal assessments in advance, both in the country where the property or properties are situated and in relation to Swiss tax reporting requirements.

It is hereby recalled that the power to tax real estate properties situated in a foreign country generally lies solely with that foreign country, although Swiss taxpayers have an annual declaration obligation requiring them to declare their foreign property and the income derived thereof annually, in their annual tax return for the purposes of determining the tax rate applicable to their income and taxable assets.

In cases of obvious failure to declare foreign properties by a taxpayer resident taxwise in Ticino (or, in certain cases, by the heirs of a taxpayer who has failed to comply with tax obligations), it is advisable to make use of the cantonal legislative provisions on penalty-free voluntary disclosure or the simplified disclosure procedure for heirs ([see article March 2026](#))

The procedures for voluntary disclosure and simplified disclosure by heirs must in any case be carried out well before the implementation of the AEOI for real estate properties, as these procedures are tax-effective (penalty-free) provided they are voluntary and the existence of the foreign property is not known to the tax authorities.

We will keep you informed of any updates, including Swiss legislative changes relating to the AEOI, and we are happy to assist with any questions or clarifications.

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