

Agreement Between The U.S. and Switzerland



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Contacting Social Security

Visit our website

At our website, www.socialsecurity.gov, you can:

- Create a **my Social Security** account to review your *Social Security Statement*, verify your earnings, print a benefit verification letter, change your direct deposit information, and more.
- Apply for Extra Help with Medicare prescription drug plan costs;
- Apply for retirement, disability and Medicare benefits;
- Get the address of your local Social Security office;
- Request a replacement Medicare card;
- Find copies of our publications; and
- Get answers to frequently asked questions.

Call us

Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you are deaf or hard of hearing.

We provide general information by automated phone service 24 hours a day. You can also use this automated response system to tell us a new address or request a replacement Medicare card.

We can answer your case-specific questions from 7 a.m. to 7 p.m., Monday through Friday. You'll generally have a shorter wait time if you call after Tuesday.

We treat all calls confidentially, and a second Social Security representative monitors some telephone calls, because we want to make sure you receive accurate and courteous service.

For more information

To **file a claim** for U.S. or Swiss benefits under the agreement, follow the instructions in the section titled "Claims for benefits."

If you live outside the United States, write to:

Social Security Administration
OIO—Totalization
P.O. Box 17769
Baltimore, MD 21235-7769
USA

For more information about Swiss social security programs, write to the compensation fund in the canton where you live or one of its local branch offices. If you do not live in Switzerland, write to:

Swiss Compensation Office
P.O. Box 3100
18 Avenue Ed. Vaucher
CH-1211, Geneva 28
SWITZERLAND

If you do not wish to file a claim for benefits but would like more information about the agreement, write to:

Social Security Administration
Office of International Programs
Box 17741
Baltimore, MD 21235-7741
USA

For more information visit our website:
www.socialsecurity.gov/international

Introduction

A new agreement effective August 1, 2014, between the United States and Switzerland improves social security protection for people who work or have worked in both countries. The agreement helps many people who, without it, would not be eligible for monthly retirement, disability, or survivors benefits under the social security system of one or both countries. The agreement also helps people who would otherwise have to pay social security taxes to both countries on the same earnings.

This new agreement replaces the old *Agreement between the United States of America and the Swiss Confederation on Social Security* signed July 18, 1979, and the Supplementary Agreement signed June 1, 1988.

For the United States, the agreement covers Social Security taxes (including the U.S. Medicare portion) and Social Security retirement, disability, and survivors benefits. It does **not** cover benefits under the U.S. Medicare program or the Supplemental Security Income (SSI) program.

For Switzerland, the agreement covers old-age, retirement, survivors, and disability benefits.

This booklet covers highlights of the agreement and explains how it may help you **while you work** and **when you apply for benefits**.

The agreement may help you, your family, and your employer:

- **While you work.** Before the agreement, if both the U.S. and Swiss social security systems covered your work, you and your employer had to pay social security taxes to both countries for the same earnings. However, the agreement eliminates this double coverage so you pay taxes to only one country. The section titled “Eliminating dual coverage for employment” explains these rules. If you are self-employed, see the section titled “Eliminating dual coverage for self-employment.”
- **When you apply for benefits.** You may have some social security credits in both the U.S. and Switzerland, but not have enough to qualify for benefits in one country or the other. The agreement makes it easier to qualify for benefits by letting you combine your social security credits in both countries. For more details, see the section on “Monthly benefits.”

Coverage and social security taxes

Eliminating dual coverage for employment

Before the agreement, both the United States and Switzerland, under certain circumstances, could require employees, employers, and self-employed people to pay social security taxes to both countries on the same earnings.

Under the agreement, if you work as an employee in the United States, normally you and your employer will pay only U.S. Social Security taxes. If you work as an employee in Switzerland, you normally will pay only Swiss social security taxes, and neither you nor your employer will pay U.S. Social Security taxes.

On the other hand, if your employer sends you from one country to work for that employer or an affiliate in the other country for five years or less, you will pay social security taxes only in the country from which your employer sent you. And, you won't pay taxes in the other country. For example, if a U.S. employer sends an employee to work for that employer or an affiliate in Switzerland for no more than five years, the employer and the employee will continue to pay only U.S. Social Security taxes. They will not have to pay social security taxes in Switzerland.

Eliminating dual coverage for self-employment

Under U.S. law, U.S. Social Security covers self-employed workers if they are U.S. citizens or U.S. resident aliens. The agreement says if you are self-employed and live in the United States or Switzerland, the country where you live will generally cover and tax you. As a result, if you are self-employed and live in the United States, you will pay U.S. self-employment taxes and won't need to pay Swiss social security taxes on your self-employment income.

Summary of agreement rules

The following table shows whether the U.S. or Swiss social security systems cover your work as an employee and a self-employed worker. If U.S. Social Security covers your work, you and your employer must pay U.S. Social Security taxes. If the Swiss system covers your work, you and your employer must comply with the Swiss contribution requirements. The next section explains how to get a form from one country to prove you are exempt in the other country.

Your work status	Coverage and taxes
You are working in Switzerland:	
<i>For a U.S. employer who:</i>	
• Sent you to work in Switzerland for five years or less	United States
• Sent you to work in Switzerland for more than five years	Switzerland
• Hired you in Switzerland	Switzerland
<i>For a non-U.S. employer</i>	Switzerland
<i>For the U.S. Government and you are a:</i>	
• U.S. national	United States (either Social Security or federal retirement program)
• Swiss national	Switzerland
You are working in the United States:	
<i>For an employer in Switzerland who:</i>	
• Sent you to work in the United States for five years or less	Switzerland
• Sent you to work in the United States for more than five years	United States
• Hired you in the United States	United States
<i>For a non-Swiss employer</i>	United States
<i>For the Swiss government and you are a:</i>	
• Swiss national	Switzerland
• U.S. national	United States
<i>You are self-employed and you:</i>	
• Live in the United States	United States
• Live in Switzerland	Switzerland
<i>If this table doesn't seem to describe your situation and you are:</i>	
• Working in the United States	Write to the U.S. address.
• Working in Switzerland	Write to the Swiss address.

NOTE: As the table shows, the agreement can assign U.S. coverage to a U.S. worker temporarily working in Switzerland only if he or she works for a U.S. employer. A U.S. employer includes a corporation organized under the laws of the United States or any state. Also, a U.S. employer includes:

- a partnership if at least two thirds of the partners are U.S. residents;
- an individual who is a U.S. resident; or,
- a trust if all the trustees are U.S. residents.

The term also includes a foreign affiliate of a U.S. employer when the U.S. employer has an agreement with the Internal Revenue Service (IRS) under section 3121(l) of the Internal Revenue Code (IRC) to pay social security taxes for U.S. citizens and residents the affiliate employs.

Certificate of coverage

A certificate of coverage issued by one country serves as proof of exemption from social security contributions on the same earnings in the other country.

U.S. Certificates for employees

To establish an exemption from compulsory coverage and taxes under the Swiss system, your employer must request a U.S. certificate of coverage (form USA/CH 10) from this address:

Social Security Administration
Office of International Programs
P.O. Box 17741
Baltimore, MD 21235-7741
USA

If you prefer, you can send the request by fax to **410-966-1861**. Please note, use this fax number only to request a U.S. certificate of coverage.

No special form is required to request a certificate, but the request must be in writing and provide the following information:

- Full name of worker;
- Date and place of birth;
- Citizenship;
- Country of worker's permanent residence;
- U.S. Social Security number;
- Date of hire;
- Country of hire;
- Name and address of the employer in the U.S. and Switzerland; and
- Date of transfer and anticipated date of return.

In addition, your employer must indicate if you remain an employee of the U.S. company while working in Switzerland, or if you become an employee of the U.S. company's affiliate in Switzerland. If you become an affiliate's employee, your employer must indicate if the U.S. company has an agreement with the IRS under section 3121(l) of the Internal Revenue Code to pay U.S. Social Security taxes for U.S. citizens and residents the affiliate employs and, if yes, the effective date of the agreement.

Your employer can also request a certificate of U.S. coverage for you over the Internet using a special online request form available at www.socialsecurity.gov/coc. Only an employer can use the online form to request a certificate of coverage. A self-employed person must submit a request by mail or fax.

When issuing a certificate of U.S. coverage, the Social Security Administration mails two copies (one for the employer and one for the employee) to the requesting employer. The employer is responsible for presenting the certificate to the Swiss authorities when asked.

Swiss Certificates for employees

To establish your exemption from U.S. Social Security taxes during temporary assignments in the United States, your employer in Switzerland must ask for a certificate of coverage (form CH/USA 10) from the compensation fund in Switzerland that collects your social security taxes in Switzerland.

To get a Swiss certificate, include the same information listed for a U.S. certificate of coverage, and provide your Swiss social security number rather than your U.S. Social Security number. The employer in the United States should retain a copy of the Swiss certificate of coverage, in case of an audit by the IRS. Do **not** send a copy to the IRS. The IRS will specifically ask for a copy if it needs one.

Certificates for self-employed people

If you are self-employed, and would normally be required to pay social security taxes to both the U.S. and Swiss systems, under the agreement, you can establish your exemption from one of the taxes.

- If you live in the United States, the U.S. system will cover your self-employment activity, therefore, write to the Social Security Administration at the U.S. address or fax to **410-966-1861**.
- If you live in Switzerland, write to the Swiss compensation fund of the canton in which you live. In your letter, include your:
 - Full name;
 - Date and place of birth;
 - Citizenship;
 - Country of permanent residence;
 - U.S. and/or Swiss social security number;
 - Nature of self-employment activity;
 - Dates the activity was or will be performed; and
 - Name and address of your trade or business in both countries.

Effective date of coverage exemption

The certificate of coverage you get from one country will show the effective date of your exemption from paying social security taxes in the other country.

Generally, this will be the beginning date of your temporary assignment in the other country or the beginning date of your self-employment activity there. To avoid difficulties, your employer (or you if self-employed) should ask for a certificate of coverage as early as possible, preferably before your work in the other country begins.

If you or your employer asks for a certificate of coverage, you should read the Privacy Act and Paperwork Reduction Act statements.

Your U.S. employer should keep certificates of coverage issued by Switzerland in case of an IRS audit. Don't send a copy to the IRS unless the agency asks for it. However, if you are self-employed, attach a **photocopy** of the certificate to your income tax return each year as proof of your U.S. exemption.

We'll send you and your employer copies of certificates of coverage issued by the United States. You will be responsible for presenting the certificate to the Swiss authorities when asked.

Monthly benefits

The following table shows the various types of social security benefits payable under the U.S. and Swiss social security systems and briefly describes

the eligibility requirements that normally apply for each type of benefit. If you don't meet the normal requirements for these benefits, the agreement may help you to qualify (see section Survivor Benefits).

This table is only a guide. You can get more information about U.S. benefits by visiting Social Security's website at www.socialsecurity.gov. You can also visit any U.S. Social Security office, or call our toll-free number at **1-800-772-1213**. You can get more information about the Swiss system by writing to the Swiss compensation fund in the canton that collects your social security taxes in Switzerland or by visiting the Swiss Social Security system's website at www.avs-ai.ch.

Under U.S. Social Security, you may earn up to four credits each year depending on the amount of your covered earnings. The amount needed to earn a work credit goes up slightly each year. For more information, call our toll-free number, **1-800-772-1213**, or visit our website, www.socialsecurity.gov, and get a copy of our publication *How You Earn Credits* (Publication No. 05-10072). The Swiss system measures credits in months. The table below shows requirements in years of credits to simplify the information.

Retirement or old-age benefits	
United States	Switzerland
Worker. Full benefit at full retirement age.* Reduced benefit as early as age 62. Required work credits range from 6 to 40 (40 credits if age 62 in 1991 or later).	Worker. Full benefit at age 65 for men or age 64 for women with contributions made in each year since age 21. Early retirement possible as early as one or two years prior to retirement age. One year of coverage required.

*Full retirement age for people born in 1938 is age 65 and 2 months. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.

Disability benefits	
United States	Switzerland
Worker. Under full retirement age* can get benefit if unable to do any substantial gainful work for at least a year. 6 to 40 credits needed, depending on age at date of onset. Some recent work credits also needed unless worker is blind.	Worker. Must be at least 18 years of age and under retirement age; have at least 3 years of Swiss contributions; and at least 40 percent disabled.

*Full retirement age for people born in 1938 is age 65 and 2 months. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.

Family benefits to dependents of retired or disabled people

<i>United States</i>	<i>Switzerland</i>
Spouse. Full benefit at full retirement age* or at any age if caring for the worker's entitled child under age 16 (or disabled before age 22). Reduced benefit as early as age 62 if not caring for a child.	Spouse. Benefit possible if both the worker and spouse entitled to a pension.
Divorced spouse. Full benefit at full retirement age.* Reduced benefit as early as age 62. Must be unmarried and have been married to worker for at least 10 years.	Divorced spouse. Same as spouse.
Children. If unmarried, up to age 18 (age 19 if in an elementary or secondary school full time) or any age if disabled before age 22.	Children. Additional pension paid to worker if child is under age 18 (age 25 if in school).

*Full retirement age for people born in 1943-1954 is age 66. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.

**Same sex partners are treated the same as surviving spouses.

Survivors benefits

<i>United States</i>	<i>Switzerland</i>
Widow. Full benefit at full retirement age* or at any age if caring for the deceased's entitled child under age 16 (or disabled before age 22). Reduced benefit as early as age 60 (or age 50 if disabled) if not caring for child. Benefits may be continued if remarriage occurs after age 60 (or age 50 if disabled).	Monthly benefits possible if deceased worker made contributions in each year since age 21 and the survivor meets the following conditions: Widow has one or more dependent child; or is at least age 45 and marriage lasted at least five years.
Widower. Same as widow.	Widower has one or more dependent children under age 18.
Divorced widow(er). Same as widow(er) if marriage lasted at least 10 years.	Divorced spouse has one or more dependent children under age 18) and marriage lasted at least 10 years. In some cases, other age and duration of marriage conditions apply.
Children. Same as for children of retired or disabled worker.	Children. Under age 18 (age 25 if a student).
Lump-sum death benefit. A one-time payment not to exceed \$255 payable on the death of an insured worker.	Lump-sum death benefit. No provision.

*Full retirement age for people born in 1943-1954 is age 66. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.

**Same sex partners are treated the same as surviving spouses.

How each country pays benefits

If you have social security credits in both the United States and Switzerland, you may be eligible for benefits from one or both countries. If you meet all the basic requirements under one country's system, you will get a regular benefit from that country. If you do not meet the basic requirements, here is how the agreement may help you qualify for a benefit.

Benefits from the U.S.—If you don't have enough U.S. work credits to qualify for regular benefits, you may be able to qualify for a partial benefit from the United States with both U.S. and Swiss credits. However, for us to count your Swiss credits, you must have earned at least six credits (generally one and one-half years of work) under the U.S. system. If you

already have enough credits under the U.S. system to qualify for a benefit, the United States cannot count your Swiss credits.

Benefits from Switzerland—Under the agreement, if you are a U.S. citizen, you can qualify for Swiss retirement and survivors benefits with just one year of Swiss coverage. (Before the agreement, U.S. citizens needed at least five years of Swiss coverage to qualify.) Therefore, Switzerland will **not** count credits under the U.S. system to determine eligibility for Swiss retirement and survivors benefits.

To qualify for Swiss disability benefits, you normally need three years of Swiss coverage before the onset of the disability **and must** be a resident in Switzerland. However, under the agreement, anyone

with at least one year of Swiss coverage who also has coverage in the United States may be eligible to receive a Swiss disability benefit.

How each country counts credits

You don't have to do anything for one country to count your credits in the other country. If we need to count your credits under the Swiss system to help you qualify for a U.S. benefit, we will get a copy of your Swiss record directly from Switzerland when you apply for benefits. If Swiss officials need to count your U.S. credits to help you qualify for a Swiss benefit, they will get a copy of your U.S. record directly from the Social Security Administration when you apply for the Swiss benefit.

Although each country may count your credits in the other country, your credits do not actually transfer from one country to the other. They remain on your record in the country where you earned them. You can use those credits to qualify for benefits there.

Computation of U.S. benefit under the agreement

When a U.S. benefit becomes payable as a result of counting both U.S. and Swiss social security credits, SSA determines an initial benefit based on your U.S. earnings as if you completed your entire career under the U.S. system. Then, we reduce the initial benefit to reflect that Swiss credits helped to make the benefit payable. The amount of the reduction will depend on the number of U.S. credits you have. The more U.S. credits, the smaller the reduction; and the fewer U.S. credits, the larger the reduction.

A Swiss pension may affect your U.S. benefit

If you qualify for Social Security benefits from the United States and a pension from Switzerland, and you did not need the agreement to qualify for either benefit, U.S. law may reduce the amount of your U.S. benefit. For more information, call our toll-free number, **1-800-772-1213**, or visit our website, www.socialsecurity.gov to get a copy of our publication, *Windfall Elimination Provision* (Publication No. 05-10045). If you're outside the United States, you may write to us at the U.S. address on the inside cover of this booklet.

What you need to know about Medicare

Medicare is the U.S. national health insurance program for people age 65 or older, or who are disabled. Medicare has four parts:

- Part A: Hospital insurance, which helps pay for inpatient hospital care and certain follow-up services.
- Part B: Medical insurance, which helps pay for doctors' services.
- Part C: Medicare Advantage plans are available in many areas. People with Medicare Parts A and B can receive all of their health care services through a provider organization under Part C.
- Part D: Prescription drug coverage, which helps pay for medications doctors prescribe for medical treatment.

You are eligible for free hospital insurance at age 65 if you've worked long enough under the U.S. Social Security to qualify for a retirement benefits. People born in 1929 or later need 40 credits (about 10 years of covered work) to qualify for retirement benefits.

Although the agreement between the United States and Switzerland allows the Social Security Administration to count your Swiss credits to help you qualify for U.S. retirement, disability, or survivor benefits, the agreement does **not** cover Medicare benefits. As a result, we can't count your credits in Switzerland to establish entitlement to free Medicare hospital insurance.

For more information about Medicare, call our toll-free number, **1-800-772-1213**, or visit Medicare's website at www.medicare.com. You can also visit our website at www.socialsecurity.gov and get our publication, *Medicare* (Publication No. 05-10043).

Claims for benefits

If you live in the United States and wish to apply for U.S. or Swiss benefits:

- Visit or write any U.S. Social Security office; or
- Phone our toll-free number, **1-800-772-1213**, 7 a.m. to 7 p.m. any business day. People who are deaf or hard of hearing may call our toll-free TTY number, **1-800-325-0778**.

You can apply for Swiss benefits at any U.S. Social Security office by completing an application form SSA-2490 (Application for Benefits under a U.S. International Social Security Agreement).

If you live in Switzerland and wish to apply for U.S. or Swiss benefits, contact:

- The Federal Benefits Unit at the American Consulate in Frankfurt, Germany (phone **49-69-90555-1100**), to file for U.S. benefits; or
- The compensation fund in the canton where you live (or one of its local branch offices) to file for Swiss benefits.

You can apply in one country and ask that country to also consider your application as a claim for benefits from the other country. Each country will process the claim under its own laws, count credits from the other country as the agreement requires, and notify you of its decision.

If you have not applied for benefits before, you may need to provide certain information and documents when you apply. This may include:

- The worker's U.S. and Swiss social security numbers;
- Proof of age for all claimants;
- Evidence of the worker's U.S. earnings in the past 24 months and;
- Information about the worker's coverage under the Swiss system.

You may wish to call the social security office before you go there to see if you need to provide any other information.

Payment of benefits

Each country pays its own benefit. The U.S. Department of Treasury makes U.S. payments each month covering benefits for the preceding month. Under the Swiss system, the Swiss make payments each month and cover benefits for that month.

Absence from U.S. territory

Generally, people who aren't U.S. citizens may receive U.S. Social Security benefits while outside the U.S. only if they meet certain requirements. Under the agreement, however, if you're a U.S. or Swiss citizen, a refugee, a stateless person, or a person who is eligible for dependents or survivors benefits based on the Social Security record of one of these people, you may receive benefits as long as you reside in Switzerland. If you aren't a U.S. or Swiss citizen, and live in another country, you may not be able to receive benefits. The publication, *Your Payments While You Are Outside The United States* (Publication No. 05-10137) explains the restrictions on U.S. benefits.

Appeals

If you disagree with the decision made on your claim for benefits under the agreement, contact any U.S. or Swiss Social Security office. They can tell you what you need to do to appeal the decision.

The Swiss social security authorities will review your appeal if it affects your rights under the Swiss system. U.S. Social Security authorities will review your appeal if it affects your rights under the U.S. system. Since each country makes its own decisions independently of the other, a decision by one country on a particular issue may not always agree with the decision made by the other country on the same issue.

Authority to collect information for a certificate of coverage (see pages 4-5)

Privacy Act

Section 233 of the *Social Security Act*. As amended, [42 U.S.C. 433] authorizes us to collect information for a certificate of coverage. We'll use the information you provide to determine if the U.S. Social System, in accordance with a social security agreement, covers your current work. The information you provide on this form is voluntary. Failure to provide all or part of the requested information, however, may prevent us from making an accurate and timely decision on your request for a certificate of coverage. Without the certificate, both the U.S. and the foreign social security systems may cover and tax your earnings.

We rarely use the information you provide on this form for any purpose other than for the reasons explained above. We may use it, however, for the administration and integrity of Social Security programs. We may also disclose information to another person, or to another agency, in accordance with approved routine uses that include, but are not limited to, the following:

1. To enable a third party or an agency to assist Social Security in establishing rights to Social Security benefits or coverage;
2. To comply with federal laws requiring the release of information from Social Security records (e.g., to the Government Accountability Office, General Services Administration, National Archives and Records Administration, and the Department of Veterans Affairs);
3. To make determinations for eligibility in similar health and income maintenance programs at the federal, state and local level; and

4. To facilitate statistical research, audit, or investigate activities necessary to assure the integrity of Social Security programs.

We may also use the information you provide in computer matching programs. Matching programs compare our records with records kept by other federal, government agencies. We can use information from these matching programs to establish or verify a person's eligibility for federally funded or administered benefit programs and for overpayments or delinquent debts under these programs.

A complete list of routine uses for this information is available in our System of Records Notice entitled *Earnings Records and Self-Employment Income System*, 60-0059. This notice, additional information regarding this form, and information regarding our programs and systems are available online at www.socialsecurity.gov or at any Social Security office.

Paperwork Reduction Act Notice

This information collection meets the clearance requirements of 44 U.S.C. section 3507, as amended by section 2 of the Paperwork Reduction Act of 1995. You do not need to answer these questions unless we display a valid Office of Management and Budget control number. We estimate that it will take you about 30 minutes to read the instructions, gather the necessary facts, and write down the information to request a certificate of coverage.



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