

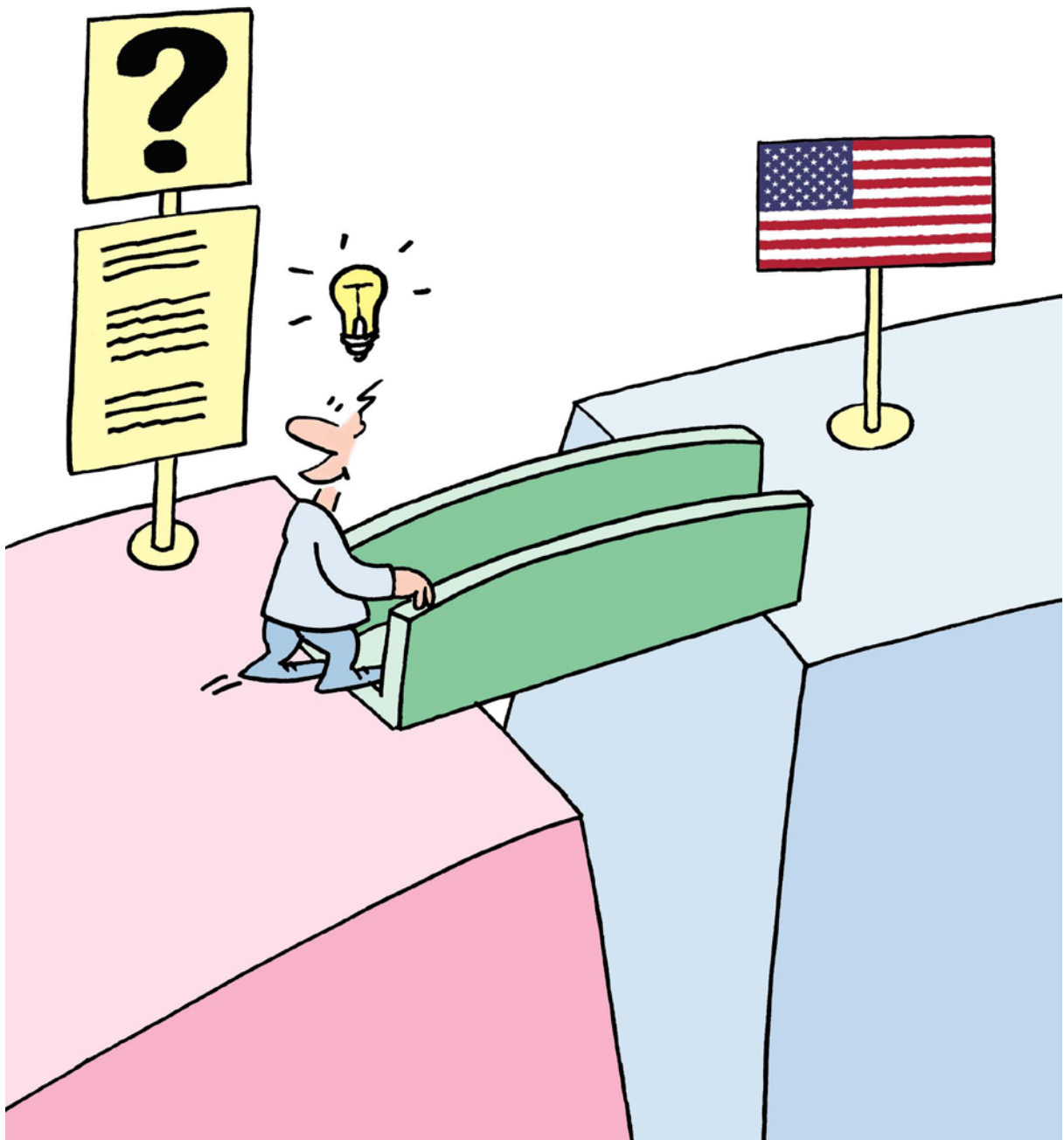


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Social security agreement between Switzerland and the United States of America



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1 The agreement in brief

The [bilateral social security agreement between the Swiss Confederation and the United States of America](#) dated 1979 has been replaced by a new agreement signed on 3 December 2012 which entered into force on 1 August 2014. Its purpose is to ensure that Swiss and US nationals receive equal treatment, wherever possible, in respect of their social security entitlements. The agreement determines to which national social security system a person is subject and where he/she is required to pay contributions.

The agreement sets out the requirements that a person must satisfy in order to receive Swiss or US old-age, survivors' and disability pensions, as well as rehabilitation measures from the Swiss disability insurance scheme. The agreement also sets out the rules on exporting these benefits. The United States takes insurance periods completed in Switzerland into account for the purposes of meeting the minimum insurance period (up to 10 years) imposed by the United States to confer entitlement to US pensions. Insurance periods completed in the USA may be taken into consideration by Switzerland in order to complete the minimum insurance period (3 years) entitling the insured person to a Swiss disability pension.

The purpose of this leaflet is simply to provide an overview of how Switzerland and the US coordinate their social security systems. Only the relevant legal provisions and international agreements shall apply in the settlement of individual claims.

2 Material scope

Which Swiss legal provisions are covered by the agreement?	The agreement covers the Federal Act on the Old-Age and Survivors' Insurance (OASI) and the Federal Act on Disability Insurance (DI).
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Which US legal provisions are covered by the agreement?	The agreement applies to the US federal legal provisions relating to basic old-age, survivors' and disability pensions insurance.
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3 Personal scope

Who is covered by the agreement?	The agreement applies to US and Swiss nationals, as well as their immediate family members (spouse and children) and surviving dependents.
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Are third-state nationals covered by the agreement?	The affiliation provisions may also apply to third-state nationals, i.e. individuals who are not Swiss or US nationals. For example, the provisions on workers posted temporarily to one of the contracting States by their employer which has its headquarters in the other contracting State apply equally to third-state nationals.
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4 Basic principles: equal treatment, export and totalization

What does equality of treatment mean?	<p>Equality of treatment is a guiding principle of the agreement.</p> <p>This means in practice that US nationals shall be treated in the same way as Swiss nationals as regards the rights and obligations under Swiss old-age, survivors' and disability insurance legislation.</p> <p>Likewise, Swiss nationals shall be treated in the same way as US nationals as regards the rights and obligations under the US social security schemes covered by the agreement.</p>
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Are there exceptions?	<p>There are a number of clear-cut exceptions to the equal treatment principle. For example, only Swiss nationals living abroad (outside EU/EFTA member States) may join the facultative Swiss OASI/DI scheme; it is not open to US nationals.</p> <p>In addition, some benefits may not be exported, neither for Swiss nationals nor for US nationals.</p>
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What does export mean?	This means that Swiss and US nationals may receive their pension even though they no longer live in the State paying their benefit.
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What does totalization mean?

Taking into account Swiss insurance periods (totalization) facilitates a person's entitlement to US benefits, regardless of the person's nationality. If a benefit that is due under US social security legislation depends on a certain minimum insurance or contribution period, the periods completed in Switzerland are taken into account, to give rise to an entitlement to benefits (see section 8 on entitlement to a US pension).

Entitlement to a Swiss old-age pension is exclusively based on contributions paid into the Swiss social security system. If certain conditions are met, US insurance periods are taken into account by Switzerland in order to complete the minimum insurance period (3 years) for entitlement to a Swiss disability pension (see section 7).

These include periods of insurance that pre-date the agreement.

However, the calculation and the amount of a pension from one of the contracting States are determined solely by the contributions paid in that State.

5 Affiliation / compulsory insurance cover

What is meant by the principle of affiliation to the social security legislation of the country of employment?

Individuals are generally subject to compulsory insurance in accordance with the legal provisions in the contracting State on whose territory they work (principle of being subject to the social security legislation of the country of employment).

This means that a US employee working exclusively in Switzerland is in principle subject to Swiss social security legislation and must therefore contribute to the compulsory Swiss social security schemes.

Individuals who are gainfully employed in both Switzerland and the US are subject to the compulsory social security schemes in both States. However, the social security system of each State will consider only the income earned on its territory.

Individuals of any nationality who work on a self-employed basis in either State and who live in one of these States are covered only by the relevant compulsory social security schemes in the State in which they live.

Which social security contributions are compulsory in Switzerland?

Individuals who are subject to compulsory insurance in Switzerland must contribute to the old-age, survivors' and disability insurance schemes, the accident insurance scheme, the unemployment insurance scheme (for employees), as well as the compensation for loss-of-income/maternity insurance scheme. The employer registers its employees with its compensation fund and deducts the employees' compulsory insurance contributions directly from their salary. An overview of contribution rates can be found at the following [link](#) (in French, German or Italian).

What about health insurance?	The agreement does not apply to health insurance. As a general rule, anyone taking up residence in Switzerland must take out health insurance cover with an authorized Swiss insurer within three months of arriving on Swiss territory. A list of current premiums, by health insurance fund and canton/region, can be found at www.priminfo.ch (in French, German or Italian).
What about occupational pensions?	The agreement does not apply to the Swiss occupational old-age, survivors' and disability insurance scheme (Occupational Pension Act - OPA). Swiss legislation states that employees who pay compulsory OASI contributions become liable for compulsory OPA contributions when meeting a number of requirements (minimum qualifying age and salary in particular).

6 Postings – an exception to the rule

Maintaining affiliation to the legislation of the country of origin	<p>Employees who are posted temporarily to the United States by their Swiss employer remain subject to Swiss social security legislation and therefore must continue to contribute to the compulsory Swiss insurance schemes (including health and accident insurance). They are exempted from contributions to the US social security system.</p> <p>Likewise, employees who are posted temporarily to Switzerland by their US employer remain subject to US social security legislation (Federal old-age, survivors' and disability insurance).</p>
What does temporarily mean?	As a rule, a person may be posted for a maximum of five years.
What conditions apply?	<p>In the interests of worker protection, a posting presupposes that the person concerned is already insured under the social security system of the State of origin before taking up employment in the host State. In addition, the employer must intend to continue to employ the worker once his/her posting comes to an end.</p> <p>A direct employment relationship between employee and employer must continue to exist for the entire duration of the posting. In particular, an employer who posts a worker abroad must retain the sole power to terminate the employment relationship (contract) and to broadly define the type of work that the posted employee will perform. The posted employee must work in the interests and on behalf of his/her employer, but the salary does not have to be paid directly by the posting employer.</p>
Submission of the certificate of posting	<p>The employer asks the competent insurance institution in the State from which the employee is being posted (State of origin) to issue a certificate of posting.</p> <p>This certificate (certificate of coverage) confirms that the posted worker continues to be subject to the social security legislation of the State of origin for the duration of the posting. As such, the worker is exempt from contributions to the compulsory social security schemes of the host State which are covered by the agreement.</p>

Competent insurance institutions In Switzerland the competent insurance institutions are the competent [OASI compensation offices](#). The application form for a certificate of posting as regards **postings from Switzerland** can be downloaded at the following [link](#) (Application to remain subject to Swiss social insurance legislation during the temporary exercise of a professional activity abroad).

The competent body in the United States is the Social Security Administration, Office of International Programs (www.ssa.gov/international). A form for use in requesting certificates for **postings from the United States** can be downloaded by employers [here](#).

May the posting be extended? Should the posting exceed the maximum time limit of five years, it is possible to apply for an extension (up to a maximum total period of 6 ½ years) by submitting a request to the competent authority in the State of origin:

- in Switzerland: the Federal Social Insurance Office (www.bsv.admin.ch)
- in the United States: Social Security Administration, Office of International Programs, P.O. Box 17741, Baltimore, Maryland 21235-7741 (www.ssa.gov/international)

The application form for extending **postings from Switzerland** is available at the following [link](#) (Application to remain subject to Swiss social insurance legislation during the temporary exercise of a professional activity abroad).

What about family members? Non-working family members (spouse and children) accompanying a worker posted from Switzerland to the United States remain subject to Swiss social security legislation. They remain covered by Swiss health insurance throughout the posting. They must inform the OASI compensation office of the person being posted abroad.

Non-working family members (spouse and children) accompanying a worker posted from the United States to Switzerland remain subject to US social security legislation.

More detailed information on postings can be found in the fact sheet "[Social security for posted workers. Contracting States, outside EU/EFTA](#)".

Information on social security schemes not covered by the agreement (e.g. health care and accident insurance) can be found in the fact sheet "[Social Security for posted workers – Non-contracting States](#)".

7 Swiss old-age, survivors' and disability benefits

Retirement age in Switzerland	The ordinary retirement age in Switzerland is 64 for women and 65 for men.
Old-age benefits - Work periods in Switzerland and the United States	<p>US or Swiss nationals who have worked both in Switzerland and in the United States, and have therefore contributed to both social security systems, receive partial pensions from each State provided that they meet the legal requirements of each State. The amount they receive will depend in particular on their insurance record in each State.</p> <p>The amount of the US pension received by individuals who are also drawing a Swiss pension may be reduced in some cases (see section 8).</p>
Who can claim old-age and survivors' benefits?	<p>US nationals can normally claim a regular Swiss old-age pension (full or partial) under the same conditions as Swiss nationals. This applies equally to Swiss survivors' pensions (widow's/widower's/orphan's pension).</p> <p>To qualify for a Swiss old-age pension, the claimant must have contributed to the Swiss old-age insurance scheme for at least one year. Survivors can claim a survivors' pension provided that the deceased had paid contributions to the Swiss social security system for a minimum period of one year.</p>
Can old-age and survivors' pensions be exported?	<p>Under Swiss legislation, Swiss nationals may in principle draw a Swiss pension regardless of the country in which they live.</p> <p>Swiss benefits are paid to US nationals under the same terms as to Swiss nationals, on the basis of the agreement and in accordance with the principle of equal treatment. That is, they are paid in Switzerland or the United States, or can in principle be exported anywhere in the world.</p>
A lump-sum payment instead of a pension?	<p>US nationals or their survivors who do not reside in Switzerland or who leave Switzerland and who qualify for a Swiss old-age and survivors' pension which is not more than 10 % of the full ordinary pension receive a one-off lump-sum payment instead of a partial pension. If the old-age or survivors' pension is more than 10 % but less than 20 % of the full ordinary AHV pension, they can choose between a partial pension or a one-off lump-sum payment.</p> <p>If certain conditions are met, the provisions relating to a one-off lump-sum payment apply to Swiss disability-insurance pensions.</p> <p>For married couples where the two spouses were insured under the Swiss scheme, the one-off lump-sum payment is paid to one spouse only if the other spouse is also entitled to a pension.</p> <p>Once the one-off lump sum has been paid, it is no longer possible to make further claims against the Swiss social insurance system in respect of paid contributions.</p>

Occupational pensions?	<p>The agreement does not cover the legal provisions on occupational old-age, survivors' and disability insurance. Under the relevant federal legislation (OPA), Swiss and foreign nationals receive equal treatment, i.e. the payment of pensions and other benefit entitlements abroad depend on the statutes and internal regulations of the claimant's pension fund.</p> <p>If a person has paid occupational pension contributions while working in Switzerland, this person may request that his/her accumulated capital (termination benefit) is paid out in cash provided that this person is relocating from Switzerland to a State that is not a member of either the EU or EFTA. The request must be submitted to the competent pension fund or termination benefits institution (insurance company or bank).</p>
Disability benefits	<p>Swiss disability insurance legislation provides for the payment of cash benefits (pensions and daily allowances) and rehabilitation measures.</p>
What are rehabilitation measures?	<p>Rehabilitation measures are provided by the Swiss disability insurance scheme with a view to improving the working capacity of individuals with disabilities. These measures can be occupational (career counselling, initial vocational training and retraining), medical, or involve the provision of aids (e.g. wheelchair).</p>
Entitlement to and export of rehabilitation measures	<p>The agreement simplifies access to Swiss DI rehabilitation measures for US nationals residing in Switzerland.</p> <p><u>Rehabilitation measures cannot be exported.</u></p> <p>US nationals who are paying compulsory Swiss old-age, survivors' and disability insurance contributions immediately prior to the onset of their disability, may qualify for rehabilitation measures provided that they continue to reside in Switzerland.</p>
Wives' and widows' entitlement to rehabilitation measures	<p>Wives and widows of US nationality who are not gainfully employed may qualify for Swiss disability insurance rehabilitation measures provided that they are domiciled in Switzerland and have lived there without interruption for at least one year immediately prior to the onset of the disability.</p> <p>Leaving Switzerland for less than two months during the course of a year does not disqualify them under the continuous period of residence requirement.</p>
Right of disabled children to rehabilitation	<p>Minor children of US nationality may qualify for Swiss disability insurance rehabilitation measures provided that they are domiciled in Switzerland and have lived there without interruption for at least one year immediately prior to the onset of the disability. They may also qualify for such measures provided that they reside in Switzerland and were born disabled there or have lived in Switzerland without interruption since their birth.</p> <p>Leaving Switzerland for less than two months during the course of a year does not disqualify them under the continuous period of residence requirement.</p>

Entitlement to disability pensions	If a US national meets the qualifying requirements stipulated in Swiss disability insurance legislation (i.e. a minimum insurance period of three years as well as conditions pertaining to the degree of disability), this person may be entitled to a Swiss DI pension, possibly a partial one (prorated to the contributions paid in Switzerland).
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Recognition of US insurance periods	<p>Where the insurance periods completed in Switzerland do not entitle an individual to an ordinary Swiss disability-insurance pension (minimum insurance period of 3 years), the insurance periods completed in the US are taken into account (totalization) provided that they do not overlap with the periods completed under Swiss legislation. Nevertheless, a minimum insurance period of one year in Switzerland remains necessary.</p> <p>The amount of the Swiss disability-insurance pension is determined exclusively on the basis of the insurance periods completed under Swiss legislation. The calculation is made on the basis of this legislation.</p>
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Can disability pensions be exported?	<p>Regular DI pensions of Swiss and US nationals whose degree of disability is at least 50% can be exported worldwide.</p> <p>US and Swiss nationals whose degree of disability is less than 50% will only receive a Swiss disability pension if they reside in Switzerland.</p>
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Click on the link below for more information on the Swiss social security system ([booklet "Social Security in Switzerland"](#)).

8 US old-age, survivors' and disability benefits

Submission of a claim for US benefits	Claimants living in Switzerland submit their claim to the Swiss Compensation Office (SCO, see section 9).
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Recognition of Swiss insurance periods	<p>Where the insurance periods completed in the United States do not entitle an individual to a US pension (up to 10 years insurance may be required), the insurance periods completed in Switzerland are taken into account (totalization) provided that they do not overlap with the periods recognized as insurance periods under US legislation.</p> <p>In any event, an individual must have at least a year and a half insurance cover in the United States (6 trimesters).</p>
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Calculation of the amount of US benefits for individuals drawing a Swiss pension	<p>In some cases, US legislation (windfall elimination provision) reduces the amount of US old-age or disability pensions paid to individuals who are also drawing a benefit based on employment not subject to US social security, such as pensions under the Swiss social security system.</p> <p>Information can be obtained from the Social Security Administration and at this link.</p>
Export of US benefits	<p>There are restrictions on the export of US benefits to some countries. Information can be obtained from the Social Security Administration and at this link.</p>

General information about the US social security system and its benefits can be obtained at this [link](#).

Information about the agreement with Switzerland is available at this [link](#).

9 Competent authorities, liaison bodies and contact points

Benefit claims

- **Individuals living in Switzerland** should submit their US benefit claims to the Swiss Compensation Office (SCO).
- **Individuals living in the United States** should submit their Swiss pension claims to a local social security office ([U.S. Social Security Office](#)) or by phone on 1-800-772-1213.

Swiss competent authority	Federal Social Insurance Office (FSIO) Effingerstrasse 20, 3003 Berne www.bsv.admin.ch
Swiss liaison body for OASI/DI	Swiss Compensation Office (SCO) Av. Edmond-Vaucher 18, Post office box 3100, 1211 Geneva 2 www.zas.admin.ch
US competent authority and liaison body	Social Security Administration, Office of International Programs, P.O. Box 17741, Baltimore, Maryland 21235-7741 www.ssa.gov/international

Contact points in Switzerland

Queries and requests should be sent to the following bodies in Switzerland:

Queries regarding the export of OASI/DI pensions	Swiss Compensation Office (SCO)
Questions relating to postings from Switzerland (posting certificate)	Competent compensation fund (see section 6)
Queries regarding extension of postings	Federal Social Insurance Office (FSIO)

Contact points in the United States

Requests relating to postings from the United States (posting certificate) and body with responsibility for extension of postings	Social Security Administration, Office of International Programs, P.O. Box 17741, Baltimore, Maryland 21235-7741 www.ssa.gov/international
Questions relating to US benefits	<ul style="list-style-type: none">- US residents should contact a local social security office (U.S. Social Security Office)- Non-US residents should contact: Social Security Administration OIO - Totalization P.O. Box 17769 Baltimore, Maryland 21235-7769 www.ssa.gov/foreign