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THE OECD REPORT ON TAXATION AND PHILANTHROPY

Main findings and policy options for Switzerland

This article discusses the recent OECD report in the field of taxation and philanthropy, presenting its main findings and policy options for Switzerland. The Swiss legislator could be inspired by certain suggestions, such as clearly defining the policy goals for incentivising philanthropy with taxes, reassessing the current restrictions on tax support for cross-border philanthropy, and improving data collection on tax incentives for charitable giving.

1. INTRODUCTION

On 26 November 2020, the OECD issued a pioneer report on taxation and philanthropy, an initial in-depth comparative study of the legal frameworks and practice in relation to tax aspects of philanthropic initiatives (hereinafter "the Report") [1]. The Report was produced as part of a joint research project conducted by the OECD and the Geneva Centre for Philanthropy of the University of Geneva [2]. Largely based on the data gathered through country questionnaires, the Report provides a detailed review of the tax treatment of philanthropic entities and philanthropic giving in 40 OECD member states and participating countries [3]. It examines the normative justification of preferential tax treatment for philanthropy and its domestic and cross-border tax treatment, and it provides a range of potential tax policy options for countries to consider [4].

The Report is a response to the growing public and academic debate about the role of tax incentives in charitable giving. For a number of reasons, such as the accessibility of the information about high-profile philanthropy and/or the occurrence of global events triggering massive philanthropic fundraising (COVID-19 pandemic, or, on a smaller scale, the fire of the Notre-Dame), the tax treatment of the philanthropic sector has recently received a lot of attention [5]. Recent studies show that the global volume of philanthropy amounts to 5% of worldwide GDP [6]. The increasing popularity of this topic brought to light the fact that knowledge in this field was – and to an important extent still is – incomplete. Although some questions related to taxation of charitable giving have been identified and analysed by scientists in recent decades (for instance, aspects affecting the efficiency of tax incentives and taxpayers' behaviour [7]), other important questions have not been sufficiently explored. In particular, the fundamental justification of tax incentives for philanthropy, the tax barriers to cross-border giving and the blurring boundaries between the traditional concept of philanthropy and the increasing popularity of social entrepreneurship need empirical insight. To address these issues, in September 2019 the OECD launched a joint research project with the Geneva Centre for Philanthropy of the University of Geneva. This project resulted in the publication of the Report, which seeks to fill significant gaps in the current knowledge in the field of taxation and philanthropy [8].

The Report addresses four key areas of the research. Chapter 2 reviews the normative justification for granting tax concessions for philanthropic giving, Chapter 3 discusses the tax treatment of philanthropic *entities,* Chapter 4 analyses the tax treatment of *giving* and Chapter 5 explores the tax treatment of cross-border philanthropy. Conclusions and policy options are presented in Chapter 6. Chapter 2 is theoretical and based on a review of the existing literature, while chapters 3 through 5 present an empirical analysis based on the data provided by forty jurisdictions.

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2. MAIN FINDINGS

One of the most fundamental observations of the Report is that the majority of countries studied in this project provide some form of preferential tax treatment for philanthropy [9]. The common practice is to grant tax relief on the activities of entities having philanthropic status, while both individual and corporate donors to these entities receive tax incentives that lower the cost of giving [10]. In the analysis of country-specific legal frameworks, the Report disentangles these two aspects: it describes the legal regime applied to *philanthropic entities* and analyses the tax treatment of *donors.* We present the main findings below.

2.1 Tax treatment of philanthropic entities. When establishing favourable tax treatment for philanthropic entities, governments need to decide two major issues:
1. how to define the boundaries of the entities that should benefit from favourable tax treatment; and
2. what kind of tax relief is most beneficial.

As regards *the definition of a philanthropic entity* with a status conferring tax benefits, the Report finds that most of the countries require entities to fulfil three cumulative conditions: being *not-for-profit,* having a *worthy purpose,* and acting for the *public benefit.* The not-for-profit requirement generally means that the surplus generated by an entity may not be distributed as dividends or other benefits beyond the scope of the entity's worthy purpose [11]. In terms of employee remuneration, the Report finds that this requirement allows the payment of "reasonable remuneration" for services or the provision of goods [12]. The worthy purpose condition means that philanthropic entities have to pursue goals that are deemed to be beneficial for society: welfare, education, scientific research and health care are some of the most frequent examples across countries [13]. Thirdly, the public benefit requirement specifies who can benefit from entity's activities. This latter condition depends on certain circumstances: some countries require the benefit to be open to all, while others allow the benefit to be restricted to groups having given characteristics or stipulate that the characteristics used to specify who can benefit must relate to the fulfilment of the entities' worthy purpose [14]. Nearly all countries surveyed in the Report require philanthropic entities to undergo a defined application process to become eligible for preferential tax treatment, during which a competent authority assesses the fulfilment of those requirements [15].

In terms of *income taxation,* the Report identifies two approaches: some countries exempt all (or part) of the income of charitable entities, whereas others hold all forms of income taxable, but allow philanthropic organisations to reduce their taxable income through reinvestments towards the fulfilment of their worthy purpose [16]. Non-commercial income (gifts or grants received) are often excluded from the tax base. The interesting question explored by the Report is the treatment of commercial income. While this treatment is not the same across all countries, the most common approach is to exempt the commercial income related to the worthy purpose and to tax unrelated commercial income [17]. In respect of other forms of tax, such as VAT, a number of countries also provide preferential treatment and concessions to philanthropic entities [18].

2.2 Tax treatment of donors. With regard to encouraging individual and/or corporate donors through taxes, governments usually choose one of two options: a tax deduction or a tax credit. A *tax deduction,* also called a "tax allowance", is a mechanism whereby the amount of a charitable donation is used to reduce the taxable income or profit of a donor ("a deduction"), usually subject to a given maximum. This tax incentive, which is the approach adopted by Switzerland, is very popular; twenty-two countries studied in the Report use it [19]. A *tax credit* is a different form of tax incentive. In contrast to a tax deduction, a tax credit allows the amount of a charitable donation to be deducted not from the donor's income or profits, but from the donor's taxes (a maximum threshold sometimes applies). Tax credits are deemed to be a more equitable incentive than tax deductions because progressive income tax rates are neutral regarding the benefit derived by the taxpayer [20]. Twelve jurisdictions studied in the Report use some type of tax credit to encourage philanthropic giving.

Certain governments choose to encourage charitable giving through direct subsidies as opposed to indirect (tax) incentives. Whereas tax incentives support philanthropy indirectly, through relief offered by the tax system, direct subsidies are governmental support directed straight to the charitable organisation. The two most common mechanisms of direct subsidies for philanthropy are *matching grants* and *allocation schemes.* Through matching grants, the government tops up private donations with a pre-defined amount that is transferred directly to the philanthropic entity (e. g. for every 1 Swiss franc donated the state adds 25 centimes). Matching grants are very rare, even though economic literature finds them more efficient than, for instance, tax deductions [21]: only four countries out of the forty studied use them (Ireland, the UK, Norway and Singapore; the latter two also use tax deductions). Allocation systems, which enable taxpayers to re-direct a portion of the income tax they owe the state to a charity instead, are also seldom: only seven countries provide them, sometimes in combination with other types of subsidy [22].

2.3 Taxation of cross-border philanthropy. A significant part of the Report is devoted to the analysis of the tax rules relating to cross-border philanthropy. A general conclusion is that countries currently provide insufficient tax support for cross-border giving [23]. Within the EU, which is an exception in this case, the European Court of Justice (ECJ) rulings require member states to adopt a "comparability" approach on case-by-case basis to ascertain whether a gift to a philanthropic entity in another member state is entitled to tax relief [24]. This approach can often result in considerable complexity and uncertainty, due to differences in tax relief between member states; in addition, the ECJ rulings have not been complied with everywhere across the EU [25].

Outside the EU, certain countries have signed bilateral treaties (e. g. US-Canada; US-Mexico) providing tax relief on a reciprocal basis [26]. Another approach, adopted for instance by Canada, is to have a list of approved foreign philanthropic organisations to which grants are eligible for tax relief [27]. Due to all the limitations on tax-incentivised cross-border giving, some philanthropic entities have established ways to work around legal restrictions, so that gifts can be made to domestic entities (that are eligible for tax relief) but are then passed on to entities in other countries [28].

3. POLICY OPTIONS AND IMPLICATIONS FOR SWITZERLAND

Despite certain controversies, it appears that most governments consider tax incentives for philanthropy a useful policy instrument. To mitigate some of the arguments against them and improve the policy framework, the Report suggests six tax policy options for countries to consider [29], which are deliberately quite broad. These options are not intended to be applied cumulatively and represent suggestions to be considered on a case-by-case basis, taking into account the specificities of each jurisdiction. As there is no "one size fits all" model, each country should weigh the opportunities and costs offered by each of the recommended options; we address them in turn below from a Swiss perspective.

3.1 Ensuring the design of tax incentives for philanthropic giving meets policy goals. The first recommendation of the OECD is to ensure that the design of tax incentives for philanthropic giving meets policy goals. This implies a trade-off between incentivising giving, limiting fiscal cost (from the state's standpoint) and balancing the distributional and democratic impacts of the relevant tax incentive [30]. The Report discusses four incentive design aspects which are relevant in this respect: eligibility criteria for a worthy purpose, the choice of a tax deduction versus a tax credit, using fixed or percentage-based fiscal caps and the use of allocation schemes. For instance, narrower eligibility conditions ensure that tax incentives better target the activities that align with the priorities of the policy makers, but they may result in a lower level of total giving. In contrast to a fixed cap, a percentage-based cap ensures a maximum proportional benefit available to both poor and rich households, although in aggregate terms the benefit to rich households is greater. As taxpayers in the higher income and/or wealth brackets are empirically known to give more [31], percentage-based caps would therefore be more suitable for countries that aim to maximise total giving [32]. The same logic applies to tax deductions, which, compared to tax credits, provide a greater benefit to affluent households.

Distributional concerns are also often mentioned in policy messages, even though legislators do not establish a hierarchy between the two policy objectives (distribution and maximising total giving), which are sometimes conflicting.

In this context, Switzerland, with its tax incentives for a broad range of worthy purposes and percentage-based cap as well as the use of tax deductions, emerges as a country whose choice of tax instruments prioritises the goal of *maximising total giving*. However, whether legislators consciously privileges this policy goal over distributional concerns, is unclear. In fact, governmental messages do not explicitly formulate the goal of Swiss tax policy for incentivising charitable donations as being the "maximisation of total giving". This goal may be implicit in the general goal of civil and tax law reform related to foundations, which is "to sustainably strengthen the status of charitable foundations in Switzerland" [33]. However, when it comes to the specific legal analysis of proposed tax reforms for philanthropy, it is interesting to note the legal arguments and the emphasis put on some of them by the legislators. During the latest reform, the first and the longest argument was whether the proposed tax law provisions are in line with Art. 127, al. 2 of the Federal Constitution, in particular with the principle of the ability to pay [34] – which is a distributional issue. The analysis considered whether a given tax deduction undermines the typical fiscal character of taxation (use of tax proceeds to finance state tasks). It was followed by public finance considerations and, lastly, deliberations about the democratic impact of delegating budgetary power to private taxpayers [35]. Even though one cannot assume that the order in which legal arguments are presented necessarily reflects the hierarchy of legislators' policy concerns, in our view it would be safe to say that distributional concerns are important for the Swiss government. On this basis, Switzerland rejected the proposal of large increases in tax deductions for philanthropic giving in 2003.

In any event, the Report recommends making a clear decision about which policy objective is to prevail: taxpayer equality, maximising total giving etc [36]. While the Report says that maximising total giving may be achieved through tax deductions [37] and a wide range of philanthropic purposes, distributional and equality concerns are clearly better addressed with tax credits and by potentially targeting specific fields of philanthropic purposes through tax incentives. However, as tax deductions incentivise higher-income taxpayers, switching to a tax credit system might affect (reduce) the amount of total giving. Swiss legislators could consider this possibility, but such a move should be based on a clear policy objective and would need to be supported by an extensive legal and economic analysis.

3.2 Improving preferential tax treatment of philanthropic entities. Policy options for improving the preferential tax treatment of philanthropic entities touch upon some of the most complex questions that arise in practice [38]. In particular, the Report discusses the tax treatment of commercial income of philanthropic entities and VAT.

Unrestricted commercial activities of tax-exempt entities may give rise to competitive neutrality and revenue loss concerns [39]. The Report therefore suggests reassessing tax exemptions for commercial income, at least concerning the income generated by activities unrelated to the entity's worthy purpose. However, disentangling commercial and non-commercial income is sometimes a very complex process which increases compliance and administration costs [40]. Other policy options would be to only exempt commercial income reinvested into the worthy purpose or to impose a threshold beyond which income from commercial activities is taxed [41].

Concerning VAT, the Report suggests fully subjecting philanthropic entities to it, while exempting small philanthropic entities for whom compliance costs are likely to be disproportionate relative to the VAT revenue collected [42].

The Swiss position is to a certain extent already in line with these policy recommendations. In terms of commercial income, Switzerland exempts all the income of philanthropic entities [43], but tolerates *commercial* income at a level determined by non-codified cantonal practices [44]; if the commercial income exceeds this level, the philanthropic entity can lose its tax-exempt status [45]. As the limit for "exempt" commercial income is not uniform, the Swiss system is not entirely transparent and diverges on this point from the solution recommended by the OECD. In terms of VAT, philanthropic entities in Switzerland are in principle not exempt from it, but certain limits have been acknowledged by legislators, as recommended by the OECD. Specifically, non-profit, voluntarily run sporting and cultural associations as well as charitable organisations generating a yearly turnover of less than 150,000 francs [46] in Switzerland and abroad are exempt from Swiss VAT liability.

3.3 Reducing complexity. Another recommendation concerns finding the right balance between tax policies tailored to the wide range of philanthropic activities and limiting the complexity of the tax system [47]. Overly complex tax rules generate high compliance costs and may put low-income donors and smaller philanthropic entities at a disadvantage compared to high-income donors and larger philanthropic entities [48]. The Report suggests applying uniform entity eligibility requirements to the receipt of tax-incentivised gifts and performance of tax-exempt activities, imposing a threshold for non-monetary donations (or reassessing their types) and implementing a payroll giving system.

In the light of such a recommendation, certain aspects of the Swiss tax system appear relatively non-complex, namely the uniformity of eligibility requirements for philanthropic entities. Our knowledge about the field of non-cash donations is imperfect, however. In certain situations, the valuation of non-cash donations and the associated administrative processes may indeed be complex. Yet, virtually no research or data exist on this question. As tax incentives for non-cash donations were introduced in Switzerland in 2006 [49], it would be very interesting to see findings about the impact of this tax policy measure. In addition, payroll giving, currently non-existent in Switzerland, could be a useful additional option to be considered by Swiss legislators.

3.4 Improving oversight. The Report provides an overview of policy options that may ultimately improve oversight of the philanthropic sector and its activities [50]. Switzerland already complies with a number of recommendations, such as annual reporting requirements for exempt entities, differentiating between donating and sponsoring as well as limiting the remuneration of board members of philanthropic entities [51]. Some of these options could, however, be usefully considered in Switzerland. For instance, having an easily accessible and publicly available register of approved philanthropic entities [52] might be useful for a number of donors (even though this would not prevent situations where a donor is misinformed because an entity retrospectively loses its tax-exempt status) [53]. Another crucial point for improving oversight is collecting data that would allow the benefit to be estimated for the state in waiving part of its right to collect taxes in order to foster philanthropic incentives [54]. Regrettably, such information does not currently exist in Switzerland.

3.5 Reassessing restrictions on tax support for cross-border philanthropy. One of the most important recommendations for Switzerland would be increasing its degree of tax support for cross-border philanthropy. The Report expresses a view – which the authors of this article share – that the nature of many of the challenges which the world faces calls for countries to adopt a global rather than an insular perspective. Issues such as poverty, war and conflict, environmental concerns, medical research and public health (e. g. a pandemic) require cross-border cooperation [55]. However, the basic principle applicable in the Swiss tax system is, with only few exceptions, that cross-border philanthropic giving is not incentivised through taxes [56]. This is regrettable not only for the above-mentioned reasons, but also because in practice such tax treatment is easily worked around by organisations such as Transnational Giving Europe which, in numerous instances, may transfer donations abroad in a tax-efficient way for the donor by using local tax-exempt entities [57]. The current Swiss system is therefore neither justified from a normative perspective, nor from a pragmatic standpoint.

4. COMMENTARY IN THE LIGHT OF THE LUGINBÜHL INITIATIVE

The Luginbühl initiative entitled "Strengthening Switzerland's attractiveness for foundations" [58], which is currently pending in the Federal Parliament, suggests several changes to Swiss law, three of which concern tax incentives for philanthropy. The proposals are as follows:

1. creating a preferential regime for gifts made by heirs to the debit of the estate, by granting them a one-off increase in the tax deduction for gifts in the year of the decedent's death or the following year or in the year of the division of the estate;
2. creating a way to carry forward a donation to subsequent tax years if the maximum deduction for donations is exceeded;
3. allowing salary payments to members of the strategic management bodies.

One may note that none of these proposals are mentioned in the OECD's policy options. The first two proposals are indeed not adressed by the OECD (which, however, does not mean that they may not be considered). Regarding the recommendation on remuneration, the OECD expressly recommends limiting the remuneration of staff in order to avoid misuse of philanthropic entities and their income [59]. Switzerland takes another approach in this respect (which, however, is up for discussion) by forbidding salary payments to the members of the strategic governing bodies of philanthropic entities on the grounds that, since such entities pursue a public utility purpose, these members must act in an disinterested way.

5. CONCLUSIONS

The Swiss tax incentive system for philanthropy generally complies with certain of the OECD's policy recommendations. As a whole, it presents a favourable legal environment for philanthropy. However, the Swiss legislator could be inspired by certain suggestions. To begin with, it would be beneficial to take time and consider whether the design of tax incentives for philanthropic giving meets the policy goals of the Swiss legislator. When analysing Swiss tax incentives for philanthropy, one may note that the adopted tax instruments pursue the ultimate goal of maximising total giving, potentially undermining distributional (equality) concerns. This may be a valid policy choice provided the legislator expressly states it. So far, there is no clear policy message, although the legislator seems to be concerned with equality in their legal analysis of tax incentives for philanthropy. Another important policy suggestion concerns the reassessment of the current Swiss restrictions on tax support for cross-border philanthropy. In the light of the truly global challenges, such as the COVID-19 pandemic and climate warming, an insular perspective on philanthropic action and its benefits seems very outdated. Finally, one of the most important recommendations – and where Switzerland is lagging behind – is improving data collection and reporting on tax incentives for charitable giving. Such a move would enhance transparency and efficiency and allow all stakeholders to better understand the relationship between philanthropy and taxes. This would also increase the general trust towards philanthropic initiatives, which is often lacking because of opacities in the philanthropic sector [60]. ■

Notes: 1) OECD (2020), Taxation and Philanthropy, OECD Tax Policy Studies, No. 27, OECD Publishing, Paris, https://doi.org/10.1787/df434a77-en (cited as "OECD Report"). **2)** Ibid. p. 3. **3)** The survey was conducted on a voluntary basis and generated a very high rate of response that indicated the relevance and interest in the topic. The participating countries were Argentina, Australia, Austria, Belgium, Bulgaria, Canada, Chile, Czech Republic, Colombia, Estonia, Finland, France, Germany, Greece, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Mexico, Netherlands, New Zealand, Norway, Portugal, Romania, Singapore, Slovak Republic, Slovenia, South Africa, Sweden, Switzerland, United Kingdom and United States. **4)** OECD Report, p. 3. **5)** See the discussion in: Giedre Lideikyte Huber, "Tax Incentives for Charitable Giving as a Policy Instrument: Theoretical Discussion and Latest Economic Research", Issue: World Tax Journal, 2020 (Volume 12), No. 3, p. 632. **6)** Even though it is a very rough estimate, as the data on exact volumes of philanthropic giving are scarce. **7)** This question is by far the most developed in this field, mainly by the economists. To mention just a few authors: R. Steinberg, Taxes and giving: New findings, 1 Voluntas: International Journal of Voluntary and Nonprofit Organizations 2, pp. 69 (1990); J. Peloza & P. Steel, The price elasticities of charitable contributions: a meta-analysis, 24 Journal of Public Policy & Marketing 2 (2005); J. Bakija, Tax Policy and Philanthropy: A Primer on the Empirical Evidence for the United States and Its Implications, 80 Social Research 2, p. 559 (2013); G. Fack & C. Landais, Are Tax Incentives for Charitable Giving Efficient? Evidence from France, 2 American Economic Journal-Economic Policy, p. 137 (2010); T. Bönke, N. Massarrat-Mashhadi & C. Sielaff, Charitable giving in the German welfare state: fiscal incentives and crowding out, 154 Public Choice 1/2, p. 39 (2013). **8)** However, as the topic of taxation related to philanthropic giving is a complex issue, there are many ways to analyse it, both quantitatively and qualitatively, adopting a multidisciplinary approach. For this reason, the Report is one of several parts of the ongoing GCP's project on taxation and philanthropy. **9)** OECD Report, p. 127. **10)** Ibid. **11)** OECD Report, p. 129. **12)** Ibid. **13)** Ibid. **14)** OECD Report, p. 42. **15)** Competent authorities might be the tax administration or another independent body/commission. See OECD Report, p. 49–54. **16)** OECD Report, p. 129. **17)** OECD Report, p. 42. **18)** OECD Report, pp. 64–71. **19)** OECD Report, p. 79. For an easy comparison, see Taxation and Philanthropy – Policy brief, OECD Tax Policy Studies. **20)** For instance, in the case of a tax credit, a donation of CHF 100 will have the same value for a low-income taxpayer as for a high-income taxpayer: deducting this amount from their tax liability, they both gain exactly CHF 100. In the case of a tax deduction, the gain will not be the same, because it will depend on their respective marginal income tax rates. As the marginal income tax rate increases with income, a taxpayer with higher income will gain more from a tax deduction. For example, if the marginal tax rate of the latter is 40 %, the gain will be CHF 40 for a donation of CHF 100, i. e. much higher than the gain of a taxpayer whose marginal tax rate is 15 % and thus has a gain only CHF 15 for the same donation. See discussion in S. Hemels, "Tax Incentives as a Creative Industries Policy Instrument, in Tax Incentives for the Creative Industries", p. 12 (Springer 2017). **21)** See, for instance, R. Bekkers et al., "When and why matches are more effective subsidies than rebates", 18 Research in Experimental Economics (2015). **22)** OECD Report, p. 79. **23)** OECD Report, p. 131. **24)** Ibid. **25)** Ibid. **26)** Ibid. **27)** Ibid. **28)** Ibid. **29)** OECD Report, p. 131. **30)** OECD Report, p. 132. **31)** The first study on this subject in Switzerland, by Lideikyte-Huber, Pittavino and Peter, is expected in 2021. **32)** OECD Report, p. 132. **33)** The argumentation is taken from the latest important reform changing the system of tax deductions for charitable foundations in Switzerland. See the legal analysis of the Federal Council, "Initiative parlementaire Révision du droit des fondations (Schiesser) – Rapport de la Commission de l'économie et des redevances du Conseil des Etats du 23 octobre 2003", 5 December 2003 ("Federal Council – Schiesser"), p. 7464. **34)** Federal Council – Schiesser, p. 7466. **35)** Ibid. **36)** OECD Report, p. 133. **37)** This is, however, not entirely confirmed empirically: it is not clear whether a tax deduction indeed maximises giving or does not have a sizable effect on the total volume of donations. **38)** OECD Report, p. 133. **39)** OECD Report, p. 134. **40)** Ibid. **41)** Ibid. **42)** OECD Report, p. 134. **43)** Art. 56, let. g, LIFD; Art. 23, al. 1, let. f, LHID. **44)** For more on this, see Lideikyte-Huber, Giedre, "Activité commerciale d'une entité d'utilité publique exonérée d'impôt. Notion et limites", ExpertFocus 3/2019. **45)** Swiss legal norms on this matter specifically state that philanthropic entities are tax exempt: 1) only if they pursue aims of public service or public interest, and 2) only on the profits exclusively and irrevocably allocated to such purposes. Economic goals cannot in principle be considered to be of public interest. Art. 56, let. g, LIFD; Art. 23, al. 1, let. f, LHID. **46)** Art. 10, al. 2, let. c, LTVA. **47)** OECD Report, p. 134. **48)** OECD Report, p. 134. **49)** Code civil suisse (Droit des fondations), Modification du 8 octobre 2004, RO 2005 4545. **50)** OECD Report, p. 135. **51)** OECD Report, p. 136. **52)** Ibid. **53)** As the tax-exempt status is checked at the end of the tax year in Switzerland. **54)** OECD Report, p. 135 et seq. **55)** OECD Report, p. 138. **56)** Art. 33a and art. 59, al. 1, let. c, LIFD; Art. 9, al. 2, let. i LHID; Rapport Luginbühl, p. 2003. **57)** See https://www.transnationalgiving.eu/, https://www.swissphilanthropy.ch/ access date 15 December 2020. **58)** Parliamentary initiative 14.470 "Renforcer l'attractivité de la Suisse pour les fondations", 9 December 2014. **59)** OECD Report, p. 137. **60)** Geneva Centre for Philanthropy, "Doing better, more efficiently: measuring and enhancing philanthropic vitality in the Lemanic region", p. 44.