

Notes on the subsequent ordinary assessment procedure

1. Basis

If the gross income subject to tax at source of a person liable to tax at source (no adding together for married couples or for registered partners) exceeds CHF 120,000 in a single calendar year and this person is domiciled or resident in Canton Aargau, a subsequent ordinary tax assessment covering all income and assets of the person in question and his/her spouse (or registered partner) is carried out (§ 119 StG, Tax Act of 15.12.1998, Art. 90 par. 2 DBG, Federal Law on Direct Federal Taxation of 12.12.1990).

2. Notification by employer

All employers are obliged to provide the Cantonal Tax Office (Special Tax Section, Tax at Source Department) as well as the relevant municipal tax office with the names of all persons liable to tax at source whose income from gainful employment exceeds the gross amount of CHF 120,000 per calendar year. The correct forms can be obtained from the Cantonal Tax Office, Special Tax Section, Tax at Source Department. For persons who live in another canton, the Aargau-based employer must provide the names of persons whose income exceeds this limit to the tax administration of the relevant canton. If someone becomes liable to Aargau tax at source during the course of a calendar year (e.g. moving to Canton Aargau from abroad), the income from gainful employment earned during the tax period in question must be extrapolated to an annual income in order to determine whether this income limit has been exceeded.

3. Procedure

The local tax commission is responsible for the subsequent ordinary tax assessment.

The subsequent ordinary assessment of the income and assets must be carried out for the first time for the tax year in which the applicable income limit has been exceeded. In the following years, the subsequent ordinary assessment procedure will also be carried out even if the gross annual income should temporarily or permanently fall below the limit of CHF 120,000.

In spite of the fact that the taxpayer is subject to a subsequent ordinary tax assessment, the employer must still deduct the tax at source in compliance with the applicable tax-at-source rates and forward the deducted amounts to the Cantonal Tax Office, Special Tax Section, Tax at Source Department. The tax at source deducted and paid in this manner is set off against the tax (cantonal, municipal as well as direct federal tax) due under the ordinary assessment every year. The Cantonal Tax Office, Special Tax Section, Tax at Source Department will credit the taxpayer accordingly. If the taxpayer has paid more or less tax at source than the tax amount due under the subsequent ordinary assessment, the difference will be repaid or charged subsequently without interest.