

Minor and entrepreneur: instructions

Setting up a business when you are under 18 years of age requires observing certain specific rules. Legal aspect, labour law, Trade and Companies Register, check-list of good practices.

1. What does minor legally mean in Switzerland?

In Switzerland, adulthood starts at 18 years of age ([Art. 14 CC](#) [Civil Code]). Before this age, minors do not exercise their civil rights ([Art. 17 CC](#)). They may only enter into a contractual obligation with the consent of their legal representative ([Art. 19 §. 1 CC](#)).

2. What conditions must a minor meet to set up a business?

The legal representative's agreement is required ([Art. 19 §. 1 CC](#) in relation to [Art. 19a §. 1 CC](#) and [Art. 304 CC](#)). This agreement may be express or tacit, beforehand or given afterwards. If the parents are also stakeholders in the business, there is a potential conflict of interest. The child protection authority then appoints a trustee or itself takes the necessary measures ([Art. 306 CC](#)).

3. Do entrepreneurs who are not of age need to enter themselves in the Trade and Companies Register?

Entry in the Trade and Companies Register is possible with the legal representative's agreement. However, it is only obligatory with turnover of CHF 100,000 or more. It is not recommended to register before having reached this threshold in order to avoid being subject to debt collection under bankruptcy proceedings. Even from CHF 100,000 of income, minors are not recommended to enter themselves in the Trade and Companies Register, but to be represented by an adult, and then take over the business once they are of age.

4. Do specific requirements legally affect minors?

Beyond the necessary consent of the legal representative, particular attention needs to be given to the specific status of the minor, notably as regards working hours. Working nights and on Sundays, for example, is prohibited ([Art. 31 §.4 LTr](#) [Labour law]). In addition, it is, in principle, forbidden to work under the age of 15 ([Art. 30 LTr](#)).

5. Can a minor enter into contracts?

Yes, with the legal representative's consent and regardless of entry in the Trade and Companies Register. Minors have a limited capacity to act, which explains why legal representatives must give their agreement to conclude any contracts ([Art. 19 §. 1 CC](#)). The legal representative's consent is not required in the following cases:

- gratuitous contracts (for the benefit of the minor);
- everyday management of transactions concerning daily life (e.g. buying a sandwich).

If the legal representative does not agree to the conclusion of the contract, the provisions already provided must be returned.

6. Can a minor take out a bank loan and employ staff?

Yes, with the legal representative's agreement and regardless of entry in the Trade and Companies Register.

7. Is social insurance the same for adults and minors?

It is the same insurance. People employed in gainful activity are subject to the first pillar (old-age and survivors, DI, EO/MSE) from 1 January of the year following their 17th birthday. In addition, employees liable for the old-age and survivors insurance who are 17 years of age

have to be insured against the risk of disability and death (second pillar) if they have an annual income of at least CHF 21,150.

8. Can minors manage their money alone?

Yes, minors who are capable of discernment may decide on how to use their allowance or own salary ([Art. 323 §. 1 CC](#)).

9. Which taxes are minors liable for?

The income of children under parental authority is added to that of the person with this authority (e.g. income from savings, orphan's pension) with the exception of the income from gainful employment on which children are taxed separately ([Art. 9 §. 2 LIFD](#) [Federal Act on direct federal tax] and [Art. 3 §. 3 LHID](#) [Federal Act on the harmonization of direct taxes of cantons and municipalities]).

10. What legal responsibility do entrepreneurs under 18 years of age have?

Minors are responsible for damage caused by their illegal acts ([Art. 19 §.3 CC](#)). They are exposed to the risk of prosecution, e.g. if they do not honour their debts. In this case, the legal representative is notified of the legal proceedings ([Art. 68c LP](#) [Federal debt enforcement and bankruptcy law]). If they are entered in the Trade and Companies Register, minors are subject to debt collection under bankruptcy proceedings. That is why it is not recommended to register before 18 years of age.

11. What rights and obligations do entrepreneurs under 18 years of age have in respect of their parents? And vice versa?

Parents have parental authority over minors. They have an obligation to look after them until they are of age, except if children are able to provide for themselves through their work or other resources ([Art. 276 §. 3 CC](#)). Any person, provided that they live comfortably, is obliged to provide food to their direct relatives in the ascending and descending line, if these relatives risk falling into a situation of need ([Art. 328 CC](#)).

12. What support do minors receive in setting up their businesses?

People under 18 years of age have access to the same types of support as adults. There are many public and private institutions providing services for the set-up and development of an SME.

[Institutions supporting SMEs](#)

13. What happens once a minor reaches 18 years of age?

The legal representative's consent is no longer necessary. If an adult is entered in the Trade and Companies Register instead of the minor, a transfer may be carried out.

Sources: Institute for start-ups (IFJ), GoBiz, Trade and Companies Register.

Other links

[Institute for start-ups \(IFJ\)](#)

[Venture Kick](#)

[Venturelab](#)

[Startup.ch](#)

[GoBiz](#)

[EasyGov.swiss – the online desk for companies](#)

[Set up an SME](#)

[Business: set up your own business \(Social guide\)](#)

[Institutions supporting SMEs](#)

[List of prizes accessible to young entrepreneurs in Switzerland \(startups.ch\)](#)

Downloads

[Business start-up guide \(BCGE\)](#)