

BCV's Custodial Savings account is an attractive solution that helps you build a nest egg to give to a special child in your life when they turn 18.

There are two types of Custodial Savings accounts: accounts subject to parental responsibility and accounts not subject to parental responsibility. Below you will find a guide to the main differences between the two account types.

Questions	Accounts subject to parental responsibility	Accounts not subject to parental responsibility
Who can open and manage the account?	Any adult can open the account, but only someone with parental responsibility (a "legal representative") can manage it.	Any adult, such as a grandparent, godparent, or family friend (the "custodian"), can open and manage the account.
Does my spouse need to countersign to open the account?	A legal representative, regardless of marital status, is required to sign the account-opening documents.	This account can only be opened by one person.
Who is the owner of the assets held in the account, and who can use them?	<p>The child is the owner of the assets in the account and will manage them once they are 18 years old.</p> <p>The legal representative(s) can make withdrawals to cover the child's day-to-day needs (in accordance with Article 320(1) of the Swiss Civil Code) but are responsible for the restitution of the child's property (Article 327(1)). They may not, therefore, use the child's property for their own benefit (for example, to buy a car, take a vacation, or invest in real estate). BCV reserves the right to refuse to process any such transaction.</p> <p>The Justice of the Peace, in its capacity as the Canton of Vaud's Child Protection Authority, may authorize withdrawals that go beyond the child's day-to-day needs so long as the withdrawals are used for the child's care, schooling, or vocational training (Article 320(2) of the Civil Code).*</p> <p>The Justice of the Peace may also rule on any dispute concerning a conflict between the child's interests and those of the parent(s) (Article 306(2)).</p>	<p>The custodian is the owner and sole manager of the account until the child turns 18 unless the custodian gifts the account to the child before the child's 18th birthday.</p> <p>If the custodian decides to gift the account to the child before the child's 18th birthday, the custodian must fill out, sign, and return to BCV the applicable deed of gift. At that point, the assets become the child's property.</p> <p>BCV will then inform the child and the child's parents of the existence of the account in writing, at the address provided by the custodian.</p> <p>Once the gift has been registered by BCV, the assets may not be used by either the custodian or the parents (as the account is not subject to parental authority).</p> <p>The child may only use the assets after turning 18.</p> <p>If the custodian dies or becomes legally incapacitated before the child turns 18 and has not gifted the account to the child (see above), the account will remain blocked until the child's 18th birthday. The Child Protection Authority may nevertheless administer the account and manage the funds on the child's behalf. If BCV knows the address of the child's parents, it may inform one or both of them of the account held in their child's name.</p> <p>If the child dies before being gifted the account (see above), the custodian can make a claim to the assets in the account. The child's legal heirs nevertheless have the right to be made aware of the account's existence.</p>

* Subject to a fee of CHF 200 to CHF 1,000 payable to the Justice of the Peace (see Article 50b of *Tarif des frais judiciaires civils*)

When will the child be able to use the money held in a Custodial Savings account?	The child can use the money after turning 18. At that time, BCV will inform them of the account opened on their behalf.	
Can anyone else manage the account?	The legal representative(s) manage the account. However, they can appoint one or more agents to manage the account under the same conditions.	The custodian manages the account. However, the custodian can appoint one or more agents to manage the account under the same conditions.
Who must declare the account on their tax return?	The legal representative(s) must declare the account on their tax return until the child turns 18.	The custodian must declare the account until the child turns 18. If the custodian gifts the account to the child (see above) or dies before the child turns 18, one or both of the child's parents must declare the account on their tax return until the child turns 18.
Does tax have to be paid on gifts?	<p>The gift may be subject to gift tax depending on various criteria, such as the value of the account on the day the gift was made and the tax domicile of the legal representative(s) or of the child, in accordance with applicable cantonal legislation.</p> <p>In Vaud Canton as of 2025 gifts made to a child with parents domiciled in Vaud are tax-exempt so long as the gifts' value does not exceed CHF 300,000 in a calendar year.</p> <p>Above CHF 300,000, the full amount of the gift is taxable. One or both of the child's parent(s) must declare the account on their tax return until the child reaches legal age.</p> <p>Under current practice in Vaud, if the gift is made by the person holding parental responsibility, that person may pay any gift tax due without further tax consequences.</p>	<p>The gift may be subject to gift tax depending on various criteria, such as the presence of a familial relationship between the custodian and the child, the value of the account on the day the gift was made, and the tax domicile of the custodian or the child, in accordance with applicable cantonal legislation.</p> <p>In Vaud Canton as of 2025, a gift made by a custodian domiciled in Vaud, regardless of whether the custodian and child are members of the same family, is tax-exempt so long as its value does not exceed CHF 10,000 when the child turns 18 or when the gift is made. If one of the child's parents is the custodian, gifts of up to CHF 300,000 are tax-exempt.</p> <p>Above those limits (CHF 10,000 and CHF 300,000), the full amount of the gift is taxable. A child who is gifted the account when they reach legal age must declare the gift to the tax authorities; if the child is gifted the account before reaching legal age, the gift must be declared to the tax authorities by one or both of the child's parents.</p> <p>Under current practice in Vaud, the custodian may pay any gift tax due without further tax consequences.</p> <p>Examples of tax owed (according to Vaud's 2024 tax rates):</p> <ol style="list-style-type: none"> a) A grandfather living in Lausanne accrues CHF 25,000 through a Custodial Savings account not subject to parental responsibility. When his granddaughter turns 18, the money will be transferred to her and she will have to pay CHF 690 in tax on the gift. b) A godmother living in Pully, who is not related to her goddaughter, accrues CHF 20,000 through a Custodial Savings account not subject to parental responsibility. That money will be transferred to her goddaughter when she turns 18. The goddaughter will have to pay CHF 7,128 in tax on the gift.

What happens if the child and/or the person opening the account is domiciled outside of Switzerland?

We suggest you look into tax obligations and any tax consequences in the country of domicile, including any consequences related to international tax agreements entered into between that country and Switzerland.