CHECKLIST ‘Financial considerations’

This checklist is intended to help you determine a fair rent and deal with the other financial aspects of letting a property (such as insurance, tax and social security), but it does not, of course, replace contact with the relevant authorities.

Question 1: How should the rent be set?

You are responsible for setting a fair rent for the room you let. If you sublet a room, you may also charge no more than the proportionate rent under the main tenancy agreement. Additional income is only permitted if you provide additional services (e.g. furnishings).

In our view, by sharing your living space, you should receive a reasonable contribution towards your actual costs, but should not make a profit. As a general rule, this also applies to the letting of rooms: the rent must not generate an excessive return. Tenants have the right to challenge the initial rent within 30 days of the start of tenancy.

Naturally, the size, location and facilities of the property, as well as which items are included in the service charges (e.g. electricity, heating, Wi-Fi, TV, cleaning, etc.), are also important factors in determining the rent.

Clarify whether service charges are to be agreed as a flat rate (no additional payments, no entitlement to a refund) or as a payment on account with an annual settlement. For individual rooms within your own household, the flat rate is usually the simpler solution in practice and the one that is clearer for both parties.

We definitely recommend that the tenancy agreement sets out the net rent and service charges, broken down by each item included in the service charges (as a flat rate).

When setting the rent, you can use the following figures as **a guide** for different categories of accommodation in the Canton of Zurich:

Offer approx. 15 m² / Location	**In the city**	**In the suburbs**	**In the countryside**
Room/bathroom shared with the landlord	700 to 900 CHF	600 to 800 CHF	400 to 700 CHF
Room/bathroom shared with other students	700 to 1,000 CHF	600 to 900 CHF	500 to 800 CHF
Room with en-suite bathroom	800 to 1,200 CHF	700 to 1,100 CHF	600 to 900 CHF

Note: These rents are average figures, including service charges, derived from published room rates on popular accommodation portals for the canton of Zurich (as at September 2026). They are intended solely as a guide when setting the rent. Ultimately, a fair rent depends on your specific offer. As mentioned, the rent must not generate an excessive profit.

Question 2: Do I have to ask for a deposit?

It is permissible to require a rent deposit for residential premises. You are, of course, free not to require one.

A rent deposit serves to provide the landlord with a certain degree of security against:
- Damage caused by the tenant
- Rent arrears
- Unpaid service charges

Rent deposits must be clearly regulated:
- A maximum of 3 months' rent (net rent only, excluding service charges, if these are to be paid on account).
- Deposit into a blocked account held with a bank in the tenant's name.
- The funds in this account may only be paid out with the consent of both parties or on the basis of a legally binding payment order or court order.
- The tenant receives the interest.

In some cases, other forms of security are also common: parents acting as joint tenants, or rent guarantee insurance, although the latter does involve costs for the tenant.

Question 3: Do I have to require personal liability insurance?

It is permissible to require the tenant to take out adequate personal liability insurance to cover any damage they may cause. However, it is not permissible to require them to choose a specific insurance company.

Question 4: Do I have to pay tax on my rental income?

Letting by a homeowner: Rental income from letting out rooms is generally taxable as income, although a proportionate share of maintenance and service charges may be deductible under certain conditions. On the other hand, letting may result in a reduction in the imputed rental value (this varies depending on the canton).

Subletting: Even in the case of subletting (if you are the tenant yourself), you must generally include the rental income as income in your tax return (other income, secondary income). Provided you can provide evidence of the relevant rental costs for the room let out, you can then deduct these in most cantons. You must not make a profit.

If you are unsure about anything, please check with your tax office or tax adviser in advance.

Question 5: Does letting a room affect social insurance benefits?

Yes, it can. If you receive supplementary benefits (EL) to the AHV/IV, a health insurance premium reduction or other income- or asset-related benefits, rental income may affect your entitlement.

Be sure to check this with the relevant offices in your municipality before letting.