

## LIECHTENSTEIN

<b>1. Company law:</b>	<p>The Persons and Companies Act dated 1926 (as amended from time to time). The Foundation Act is fully integrated in the Persons and Companies Act and contains the full set of legal provisions for the Foundation without cross references.</p>
<b>2. Types of company:</b>	<p><b>(a) Type of company preferred for international transactions:</b> Company limited by shares (joint stock corporation) – “Aktiengesellschaft”.</p> <p><b>(b) Shareless companies:</b> Establishment and Trust Enterprise (Trust reg) are the most commonly used forms. The “Gesellschaft mit beschränkter Haftung” (GmbH) – a legal form widely used in the neighbor countries of Austria, Germany and Switzerland (similar to the US LLC) is available, but is less popular than the Establishment and the Trust Enterprise. The latter two legal forms, of purely Liechtenstein coinage, are extremely versatile.</p>
<b>3. Capital requirements:</b>	<p><b>Foundation, Establishment, Trust Enterprise:</b> CHF30,000 or EUR30,000 or USD30,000.</p> <p><b>Company limited by shares:</b> CHF50,000 or EUR50,000 or USD50,000</p>
<b>4. Costs to incorporate, excluding government fees:</b>	<p>Costs depend on individual agreement with the local service provider and are usually about CHF3,000 to CHF3,500 excluding 8% VAT plus the usual cash disbursements.</p>
<b>5. Fees paid to authorities to incorporate:</b>	<p><b>Stamp Duty/Formation Duty:</b> Upon the formation of legal entities whose capital is divided into shares (company limited by shares , Gesellschaft mit beschränkter Haftung) the stamp duty amounts to 1% of the sum which accrues to the company liable to taxation as counter performance for the participation rights (related to at least the nominal value), this if the capital exceeds CHF250,000. The same duty also becomes due when the capital is increased or when the holders of participation rights make contributions without increasing the capital (eg when assets are contributed to these companies). In the case of the establishment of a Foundation and a trust enterprise, a formation duty amounting to 1% of the capital, which exceeds CHF250,000 as determined in the articles, becomes due upon formation. The same fee also becomes due whenever the capital is increased and when a change of hands takes place. The contribution of reserves, is not liable to tax. Upon petition, this duty may be reduced 0.5% for capital amounts of CHF5 million or more, and to 0.3% for capital amounts of CHF10 million or more. There is a further reduction for ecclesiastical, charitable and family foundation. Upon application, the formation duty then amounts to 0.2% or at least CHF200. In these cases, upon petition, this duty may be reduced to 1% for capital amounts of CHF5 million or more, and to 0.6% for capital amounts of CHF10 million or more. Registration or deposition fees: approximately CHF350 and CHF700 due upon registration in the Public Register or (selective)</p>

	deposition of formation documents, as provided by law. In a company limited by shares, the fees must be added for the legally prescribed public document concerning the formation announcement in the official publication journals.
<b>6. Annual fees paid to authorities:</b>	Annual fees or the like to be paid to the government are not known.
<b>7. Taxation rates applied to companies generally:</b>	Profit is taxed at a rate of 12.5% (proportional tax rate, irrespective of intensity of profits and distribution); minimum tax CHF1,200 per year, irrespective of legal form. Value Added Tax (VAT): Liechtenstein companies are exempt from VAT provided they have no domestic turnover. "Domestic" embraces the common Swiss/Liechtenstein economic area. VAT is generally 8% <b>(a) The taxation of companies in 2(a):</b> See above
<b>8. Method of Incorporation:</b>	Incorporation is usually organized by a local professional and is a "one step formation".
<b>9. Who may incorporate – are local professionals required?</b>	A local professional is not required but is advisable. <b>(a) Are ready made/shelf companies available?</b> No, companies are usually formed "tailor-made".
<b>10. Length of time to incorporate:</b>	Usually between three days and one week
<b>11. Minimum number of members:</b>	At least two
<b>12. Directors and secretary:</b>	<b>(a) Must there be a resident director/secretary?</b> Yes, one board member must be a citizen of an EEA state, must fulfil certain educational requirements and have his permanent office within Liechtenstein. <b>(b) Are corporate directors allowed?</b> Yes, however, for Foundations there is a limitation: The Foundation Council has to consist of at least two members who need to be independent from each other. <b>(c) Is a local registered agent required?</b> No, but a local "representative" is required to provide the physical address for postal delivery especially for the Liechtenstein authorities. This office is usually maintained by the local professional's fiduciary company. <b>(d) Are "shadow" directors required to be registered?</b> Not known by the Persons and Companies Act.

<b>13. Amount of fees payable to appointee directors/ secretary:</b>	Depends on the individual agreement with the director. For a local professional, a flat fee of about CHF4,000 plus costs for administration work involved plus respective cash disbursements. The CHF4,000 includes the fee for the local “representative” (see 12c above).
<b>14. Annual Meetings:</b>	Required for Establishment and Trust Enterprise if commercially active, always required for a Company Limited by Shares and the Gesellschaft mit beschränkter Haftung.
<b>15. Is an annual return filed with details of directors and members?</b>	No
<b>16. Accounts:</b>	<p><b>(a) Must financial statements of a company be audited?</b> Yes, for commercially active Establishments and Trust Enterprises, Companies Limited by Shares and the Gesellschaft mit beschränkter Haftung.</p> <p><b>(b) Are annual accounts filed with annual returns?</b> If accounts are to be produced and audited, they have to be filed together with an annual tax return with the Tax Department.</p>
<b>17. Are there any exchange control or other financial restraints?</b>	No
<b>18. Is migration of companies permitted?</b>	Yes, however, subject to certain strict formalities.
<b>19. Must foreign companies administered locally be registered?</b>	Only if they decide to open a local branch.
<b>20. Are protected cell companies permitted?</b>	No
<b>21. Are civil-law type foundations possible?</b>	Yes
<b>22. Are common-law foundations possible?</b>	No
<b>23. Can LLCs be formed?</b>	No. However, the Gesellschaft mit beschränkter Haftung is similar.

<p><b>24. Are regulators empowered to request the production of:</b></p>	<p><b>(a) Information on the Identity and background of beneficial owners and officers:</b> Yes, based on the Due Diligence Act to which all service providers are subject.</p> <p><b>(b) Accounting information on companies:</b> Yes, as a part of the due diligence audit.</p>
<p><b>25. Can such information be exchanged with other jurisdictions?</b></p>	<p>Only on the basis of bilateral treaties and the legal provisions enacted.</p>
<p><b>26. Any amendments to company law over the last 12 months?</b></p>	<p>An adaption of the existing bearer share regime has become law. As a result thereof bearer shares are to be immobilized (deposited with a custodian that has to fulfill certain requirements and registered in the Commercial Register). The custodian has to keep a register with details of the shareholders. A transition period until 1 March 2014 is in place for companies formed before 1 March 2013. Furthermore, an amendment with regard to Board Members has become law so that only legal entities can be appointed as Board Members under certain circumstances.</p>
<p><b>27. Anticipated amendments to company law in 2013?</b></p>	<p>No</p>