



MARXER | *Avocat*

*The Foundation under
Liechtenstein law*



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“For a foundation to be formed by natural persons or legal entities or firms, it is necessary for an endowment (the foundation assets) to be made for a certain specific purpose.”

Art. 552.1 of Liechtenstein Law concerning Persons and Companies



- A foundation must be understood as a **legal entity** embodying an endowment fund. The endowment made for a given purpose becomes an **independent legal person** with its own rights and obligations.
- A Liechtenstein foundation has **no members, participants or shareholders**.
- The formation of the Liechtenstein foundation is effected through a **foundation declaration**. This deed requires the written form as well as the notarised signature of the founder.
- The founder may be a legal entity as well as an individual. There are no restrictions regarding the nationality nor the residence of the foundation founder in Liechtenstein Law.

The family foundation under Liechtenstein law *

In a family foundation assets and/or incomes of the foundation are primarily used for the support of members of the same family and/or relatives.

Allowances/pensions can be used to cover the cost of education, tuition, providing dowries or donations or financial support.

* Unlike the family foundation in Switzerland, the law of Liechtenstein does not limit the list of beneficiaries only to family members in need.

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- ➔ The Liechtenstein foundation is suitable for the safekeeping of assets and their transfer to heirs.
 - ➔ The founder has the possibility to bind his descendants to certain conditions across several generations.



Indeed it is a versatile instrument which can be used:

- for separation of assets (to increase anonymity);
- for protection of the foundation's assets in general;
- for asset transmission and management covering of several generations;
- for protection of separate family members;
- for protection against the claims of creditors (segregation);
- for tax planning.

The foundation must be established by a Liechtenstein lawyer or a trustee on the basis of a warrant or order of incorporation issued by the founder which may be a natural or legal person.

- Creating a foundation requires a minimum capital of **30'000 CHF / EUR / USD**.
- The procedure is **strictly confidential**, lasts between **5 and 10 days**.
- The founder gives **his intentions** and wishes in the statutes, the bylaws or regulations.
- The provisions of the Constitution may be **amended at any time**.
- The tax on foundations is set at the sum of **CHF 1'200. per year** (or 12.5 % of net profits from the commercial activity).
- An annual assessment is not required unless the foundation has a commercial activity or public utility. The bookkeeping is nevertheless advised.
- Distributions to foreign recipients are **not taxable in Liechtenstein**.

As a lawyer recognised by the Paris bar working in the Principality of Liechtenstein as a European lawyer, I create a bridge between these two countries and, more generally, with all French-speaking countries.

Located right at the heart of Europe, the Principality of Liechtenstein is currently transforming its institutions to become a key player for access to a more important economic market as well.

Without a doubt, the Principality of Liechtenstein's expertise, not only in managing assets but also in the industrial sector since the turn of the 20th century, lends it a key position within Europe.

Moreover, Liechtenstein provides direct access to European and Swiss markets thanks to the 1995 agreement to join the European Economic Area and a number of bilateral agreements it has with Switzerland.

Free private initiative, attractive, legal solutions and an advantageous tax system make Liechtenstein the ideal place for managing your assets or for developing commercial and industrial businesses on an international level.

We offer our clients complete services in law, trusts, and tax: regulating your assets held in Liechtenstein, establishing and managing companies such as trusts or foundations, or setting up a family office, etc.

Maximilien Marxer



Maximilien Marxer, born in 1984, French and Liechtenstein citizen is registered at the Paris bar and in Liechtenstein as European Lawyer and Trustee (art. 180a PGR).

He graduated from a Master in compared international law from Lausanne University (CH) and a Master in geoeconomy and strategic intelligence from the French Institute for Strategic International Relations in Paris (FR). He also studied international public law at the International Law Academy of Den Haag (NL).

Admission Bar (Paris, France) : 2012

Questions ?

- What would be the purpose of the foundation ?
- What will be the intended use of the assets ?
- Do you have any connection with the US ?
- Will you be a member of the Board of the foundation ? who else would you like to be member of the Board ?
(In Liechtenstein, one member of the board of the foundation must be a registered Trustee with domicile in Liechtenstein)
- In case of a Foundation : Discretionary Foundation or non discretionary ?
- Is the capital of the foundation ready to be transferred ? (30'000CHF/EUR/USD for Stiftung or Anstalt).
- What is the economic background/origin of the contributed assets ?
- What are the occupation and business activity of the person contributing the assets to the foundation ?
(If the first beneficiary of the foundation is not the same person as the founder, please provide the same information).
- What would be the name of the Foundation?
We prefer to ask our clients to provide at least 3 names to avoid any unnecessary delay.

Contact



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