



Foundation

GN Treuhand

“The foundation is a separate legal entity. It may particularly be used for asset and succession planning as well as a holding company.”



Foundation

- The foundation can have different forms. The discretionary organisation is particularly favourable for “Asset Protection” and succession planning and the transparent appearance may for example be used for efficient structuring, succession planning or to secure and control accumulated wealth. In Liechtenstein it is also easily possible to use it for charitable purposes through a non-profit foundation.
- Efficient asset structuring: The foundation is efficient, easy to manage and mostly not subject to financial market regulations.
- Asset protection: The assets transferred are separated from the founder and therefore cannot be confiscated by a creditor of the founder. Of course this does not apply to assets generated from legal violations.



- Guaranteed anonymity: Forming a foundation and the endowment of assets makes the founder's assets independent, separating it from the founder. The foundation council executes a will anonymously and confidentially.
- The foundation provides excellent options to protect a family's standard of living and to secure education and provide healthcare for family members for generations.

Formation

Name

- The foundation can have any name in any language. It must use Roman letters.
- Each foundation name can only be used once in Liechtenstein (preventing duplicates and for rights of exclusivity).
- The use of a geographic designation is only accepted with the respective approval.
- The name must not result in misunderstandings or misinterpretation (e.g. The registration authority will reject the name "Swiss Central Bank").

Purpose

- The purpose of the foundation is to fulfil the wishes of the founder, which are specified in the foundation documents.
- The founder donates the respective assets and determines the beneficiary of the foundation. The founder is entitled to appoint a foundation council and, where desired, a protector. Regulations in addition to the foundation documents are also permitted.

Nominal capital

- The minimum capital is CHF/EUR/USD 30,000.–.
- Liability is limited to the assets of the foundation. Personal liability of the founder or beneficiaries is not provided.

Discretion

- The beneficial owners are not recorded in the commercial register. Only essential information regarding foundation name, capital, purpose, etc. must be submitted.

Structure

- *Mandatory:* Foundation council – two member minimum (individuals or legal entities). One member must be licensed in Liechtenstein under the Trustee Act.
- *Optional supervisory functions:*
 - External auditor
 - Protector or curator
 - Supervisory board



Domicile

- Foundations must have a Liechtenstein domicile address (legal representative). The legal representative is not an organ of the foundation and only represents the interests of the foundation towards the state authorities and the courts.
- The representative is therefore the physical address on the territory of the Principality of Liechtenstein.

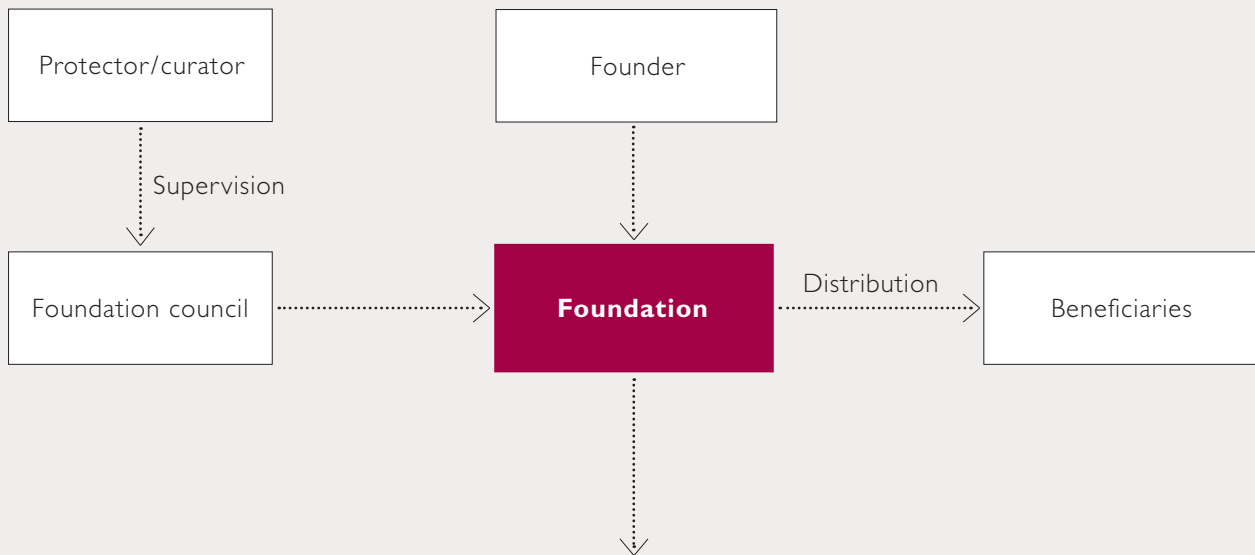
Accounting and financial reporting

- Not mandatory (except: charitable foundation).
- Accounting and financial reporting along with audits thereof are optional.
- Accounting, if required to file a tax return.



Taxes

- Foundations are subject to income tax (12.5 % of the taxable net profits and an interest deduction on equity capital of 4 %, but a minimum of CHF 1,800.– per year; as of 2017).
- Under some circumstances it may obtain PVS (private assets and liabilities structure) status, at a flat annual tax rate of CHF 1,800.– (as of 2017).
- In Liechtenstein, distribution of profits are not subject to deduction at source.
- No taxation of dividends and capital gains for equities.
- Real estate is subject to local taxes where the property is located and income from it is therefore not subject to Liechtenstein taxes.
- Value added tax, stamp duties/turnover tax are subject to Swiss law.
- Liechtenstein is also familiar with the principle of IP Box.



Assets

There are no restrictions to foundation's investments. For example, a foundation may have the following assets:

- Bank accounts (liquid assets, various currencies, fixed deposits, etc.)
- Stocks traded on the stock exchange (shares, bonds, options, funds, etc.)
- Direct investments
- Real estate
- Art
- Patents/Licenses
- Tangible assets

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