

# Liechtenstein: Modern And Competitive

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**IFC:** What characteristics continue to ensure the competitiveness of Liechtenstein as a business location and international financial centre, and what role does ATU play in attracting the right clients to the jurisdiction?

**ATU:** Liechtenstein offers many well-known advantages as a business location and international financial centre: its secure political, economic and business environment in the heart of Europe, its triple A rating, the Swiss Franc as a stable currency, low inflation, free movement of capital with the European Union and Switzerland, a liberal and flexible company, foundation and trust law, a favourable tax environment for all types of legal entities, trusts and private individuals, as well as openness for innovation and emerging technologies in the financial services sector.

As one of the oldest and largest trust companies in Liechtenstein, ATU plays quite a significant role in attracting the right clients to the jurisdiction. Key to ATU's success is the offering of comprehensive and high-quality advice and services from a single source. We provide support in the structuring, wealth preservation and investment of assets, as well as succession planning.

**IFC:** Given the speed of development of new technologies and geopolitical paradigm shifts in 2025, what are the most significant trends in clients' wealth management requirements, and how is ATU evolving to meet them in Liechtenstein?

**ATU:** It can be said that classic wealth management remains the basis of the majority of wealth management requirements. Liechtenstein has introduced innovative legislation in 'modern' legal fields like FinTech and Blockchain.

ATU develops tailor-made solutions, taking into account the personal circumstances and requirements of our clients and offering a wide range of services to implement these solutions. We can count on well-qualified and motivated staff members, not only in Vaduz, but within the entire ATU Group, and on a wide-ranging network with experts in jurisdictions all over the world.

**IFC:** How does Liechtenstein stay ahead of the fast-changing landscape of global regulation and compliance, and how does ATU remain creative and competitive in providing solutions to its clients?

**ATU:** Liechtenstein was and continues to be among the 'early adaptors' by way of implementation of the relevant regulations, enabling it to respond quickly to the fast-changing landscape of global regulation and compliance. This attitude had, among others, a positive impact at a reputational level, and strengthened the jurisdiction's attractiveness as a business location and international financial centre.

Apart from complying with the legislation in place, ATU offers and develops customised solutions for its clients as previously mentioned.

**IFC:** Liechtenstein continues to be a leader in financial services and technology, especially in blockchain and the token economy. What innovations are driving these sectors, and what is the way forward for Liechtenstein in terms of FinTech?

**ATU:** Although ATU is well-prepared and Liechtenstein has created very good framework conditions through the Law on Tokens and TT Service Providers (in short form TVTG or the Blockchain-Act), which creates legal certainty for all stakeholders and promotes innovation, we as a trust company are not yet seeing a big rush at the level of our clients.

Clients that seek stability and security, and who have concerns to preserve wealth, are less motivated to opt for such new solutions.

However, we are sure that the younger generations (digital natives), will have another view on these developments and the demand for such solutions will increase. Therefore, we are optimistic that the classic fiduciary services sector will be more linked to the new digital world in Liechtenstein in the future.

**IFC:** International finance centres face a multitude of cybersecurity threats, including ransomware, phishing, insider threats, DDoS attacks, supply chain attacks, and malware, which can lead to financial losses, reputational damage, and disruption of critical services. How does ATU and the jurisdiction of Liechtenstein address these emerging cyber risks to the finance industry?

**ATU:** ATU has implemented several strategies to address the multitude of cybersecurity threats and enhance the resilience of the financial system. Some of these key approaches are, for example, use of state-of-the-art security technologies and processes, minimising the attack vectors for threat actors, managing vulnerabilities, detection of malicious activities on devices, continuous cyber security trainings for employees, and implementation and regular testing of IT continuity procedures. In summary, ATU's cybersecurity strategies encompass best practices and follow several security standards, including continued adaptation to the changes in the cybersecurity world. These efforts collectively bolster the resilience of Liechtenstein's finance industry in the face of cyber threats and global challenges.

On 1 February 2025, the new Law

on Cyber Security (Cyber Security Law, CSG) and its according decree (Cyber Security Decree, CSV) came into effect in Liechtenstein, thereby completing the implementation on a national level of the European Directive (EU) 2022/2555 (NIS-2-Directive) on measures for a high common level of cybersecurity. It led to a modernisation of the legal framework in order to effectively address current and emerging cybersecurity challenges.

Furthermore, Liechtenstein has the National Cyber Security Unit in place that serves as central point of contact for all matters relating to dealing with cyber risks.

**IFC:** According to the Corporate Governance Institute, "...the battle over Environmental, Social, and Governance (ESG) principles is heating up, and 2025 is shaping up to be a make-or-break year." Given the divided opinions across the globe, where does Liechtenstein stand on ESG investing, and what strategies will the jurisdiction employ in the upcoming year?

**ATU:** Liechtenstein has adopted the UN's Sustainable Development Goals (SDGs) as a framework for national development. The country prioritises areas like clean energy, responsible consumption, and climate action, through initiatives like promoting renewable energy sources and sustainable infrastructure.

Financial institutions are increasingly offering ESG-focused investment products to cater to Next Gen investors' preferences. Liechtenstein fosters a regulatory environment that encourages sustainable finance. The government and financial institutions collaborate on initiatives promoting ESG integration. Major banks in Liechtenstein, for example, offer sustainable investment options, such as ecological mortgages and ethical investment funds.

Overall, Liechtenstein is actively aligning itself with the growing importance of ESG, and the country positions itself as an attractive option for Next Gen investors seeking impact alongside financial returns.

**IFC:** The philanthropic sector is rapidly evolving, influenced by factors including economic conditions, social movements, and technological advancements. How would you describe the impact of these trends in the arena of trusts and foundations?

**ATU:** Foundations and trusts remain the most popular entities and similar arrangements for the purposes of international asset structuring, be it in the private or philanthropic sector. For example, various charitable foundations administered by ATU are members of the Association of Liechtenstein Charitable Foundations and Trusts ([www.vlgst.li](http://www.vlgst.li)), and an ATU staff member serves on the board of the Association pro bono. Thus, a positive environment for charitable structures makes Liechtenstein the seat of almost 1400 charitable foundations and trusts. The Global Philanthropy Environment Index 2022 from the Lilly Family School of Philanthropy, Indiana University, USA, according to which Liechtenstein ranked number one worldwide, confirms this trend and emphasises the country's reputation as an IFC.

**IFC:** The mobility of HNWIs continues apace in 2025, and the strategic role of family offices remains crucial in wealth management. How is Liechtenstein evolving to meet the complex requirements of an increasing requirement for family offices?

**ATU:** It can be said that more and more discretionary structures are set up and used as base to enable family offices to provide for the most flexibility in managing the complex requirements of HNWIs and their worldwide assets.

**IFC:** For international businesses and investors, staying on top of tax planning remains paramount. The global tax landscape is changing fast, affected by new regulations and ubiquitous digital transformation. How does ATU assist clients in reducing risks, staying compliant, and managing tax liabilities?

**ATU:** Liechtenstein has concluded 30 Double Taxation Agreements (DTAs). ATU uses DTAs and its global network to develop customised tax strategies for clients. This approach, among others, serves to reduce risks, stay compliant and manage tax liabilities.

**IFC:** Liechtenstein typically maintains neutrality in contentious geopolitical matters. How does the country reconcile its neutral position while addressing global conflicts?

**ATU:** Being a member of the European Economic Area (EEA), Liechtenstein adheres to the EU rules being put in place to addressing global conflicts. ■

# Liechtenstein - Fact File

GENERAL OVERVIEW		
	<b>Location</b>	Central Europe, between Switzerland and Austria.
	<b>Time Zone</b>	Central European Time.
	<b>Population</b>	40,015.
	<b>Capital</b>	Vaduz.
	<b>Airport(s)</b>	None (120 km to Zurich airport and around 50 km to Altenrhein); heliport in Balzers.
	<b>Language</b>	German (German dialect).
	<b>Currency</b>	Swiss Franc (CHF).
	<b>Political system</b>	Political power shared between hereditary monarch and democratically elected government; extremely stable.
	<b>International dialling code</b>	+423.
	<b>Legal system</b>	Civil law; influenced by Swiss and Austrian law; as EEA member implementing EU directives; common trust law since 1926.
	<b>Centre's expertise</b>	Wealth management. Numerous types of companies, foundations and trusts. Interesting also for protected cell companies, insurance companies and fund service providers. Highly educated personnel.
TAX		
	<b>Personal income tax</b>	Up to 22.4%
	<b>Corporate income tax</b>	There is a flat corporate income tax rate of 12.5%. However, where applicable, Liechtenstein committed to apply the minimum tax rate of 15% according to OECD BEPS Pillar Two.
	<b>Exchange restrictions</b>	None.
	<b>Tax Information exchange agreements</b>	Visit the homepage of the Liechtenstein tax authority: <a href="http://www.llv.li/files/stv/int-uebersicht-dba-tiea-engl.pdf">www.llv.li/files/stv/int-uebersicht-dba-tiea-engl.pdf</a>
SHARE CAPITAL		
	<b>Permitted currencies</b>	CHF, EUR, US\$.
	<b>Minimum authorised capital</b>	10,000/30,000/50,000.
	<b>Minimum share issue</b>	Depends on type of company.
TYPE OF ENTITY		
	<b>Shelf companies</b>	N/A.
	<b>Timescale for new entities</b>	Five to ten days.
	<b>Incorporation fees</b>	Approx. CHF 800.00 (state duties).
	<b>Annual fees</b>	Professional fees, approx. CHF 3,000-10,000, depending on time spent. Additional fees for accounting and auditing (if required), charged on hourly basis and taxes.
DIRECTORS		
	<b>Minimum number</b>	1–2, depending on the type of company.
	<b>Residency requirements</b>	Yes (not for trusts).
	<b>Corporate directors</b>	Yes.
	<b>Meetings/frequency</b>	Depends on type of company and its statutes.
SHAREHOLDERS		
	<b>Disclosure</b>	The 5th EU AML Directive applies (transparency register).
	<b>Bearer shares</b>	Yes, however blocked at a licensed local custodian. Share register book kept at the statutory domicile of company.
	<b>Minimum number</b>	One.
	<b>Public share registry</b>	No.
	<b>Meetings/frequency</b>	Depends on type of company and statutes.
ACCOUNTS		
	<b>Annual tax declaration</b>	There is an annual tax declaration to be filed with the tax authority, together with an annual financial report; does not apply to entities submitted to the PIS status (Private Investment Structure).
	<b>Audit requirements</b>	Depends on type of company and statutes.
OTHER		
	<b>Registered office</b>	Normally yes.
	<b>Domicile issues</b>	Registered agent/trustee.
	<b>Company naming restrictions</b>	Name availability to be checked with the Commercial Register.