

COUNTRY GUIDE

LUXEMBOURG

This small land-locked country boasts one of the most stable economies in Europe, and despite its size, ranks as the wealthiest country in the world in terms of GDP per capita. Since the early 2000s, its government has proactively implemented policies to support economic diversification, with a special focus on technology. As a result, Luxembourg today has a highly skilled workforce and remains a highly competitive option for global investors.



ONE OF THE EU'S CAPITALS

Luxembourg was one of the founding countries of the European Union, joining the euro currency zone in 1999. Its capital city is one of the EU's three-official capitals, along with Strasbourg and Brussels, and seats the EU's Court of Justice.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)










Luxembourg is a globally recognized hub for information and communication technologies and is further positioning itself as a center of excellence in cybersecurity and data protection. Due to efficient public research infrastructures and projects, it offers many opportunities for start-ups, SMEs, and large enterprises.

EMERGING BIOTECH

Luxembourg's emerging biotech industry is aided by its strong ICT infrastructure, intellectual property protection, and the government's heavy investment in R&D.

BANKING AND FINANCIAL SERVICES

The banking sector is the driving force behind Luxembourg's economy and accounts for about 1/3 of the country's GDP. It was ranked as the 3rd most-competitive financial center in Europe after Zurich and London. The success of its financial industry is due to its cross-border financial expertise, political stability, skilled staff, and excellent communication skills.

 Geography 	Location: Luxembourg is a small landlocked nation located in western Europe. It borders Belgium to the west, Germany to the east, and France to the south. Area: 2,586 sq km Time Zone: Central European Time (GMT+2)
 Population	628,381 (est. 2020)
 Language(s)	Luxembourgish, French, and German are the official languages.
 Economy	Main industries include banking, steel, information technology, tourism, and agriculture.
 Capital City	Luxembourg City
 Currency	Euro (€)
 Political structure	Constitutional Monarchy
 Legal system	Civil Law System

Main Types of Legal Entities

	PRIVATE LIMITED LIABILITY COMPANY	PUBLIC LIMITED LIABILITY COMPANY (SOCIÉTÉ ANONYME OR S.A.)	SPECIAL LIMITED PARTNERSHIP (SOCIÉTÉ EN COMMANDITE SPÉCIALE OR SCSP)
Share capital			
Minimum paid-up	€12,000, paid upon incorporation	€30,000, fully subscribed and at least ¼ of each share must be paid upon incorporation	No minimum requirement
Maximum authorized	N/A	N/A	N/A
Usual currency	Euro (€)	Euro (€)	Euro (€)
Permitted currencies	No restrictions	No restrictions	No restrictions
Domiciliation			
Registered address	Required	Required	Required
Directors			
Minimum number	One	<ul style="list-style-type: none"> ➤ One - when there is a sole shareholder ➤ Three - if organized as a one-tier company 	One
Minimum local	Must reside or work in the country. If more than one, half must be local.	Must reside or work in the country. If more than one, half must be local.	Required to reside or work in the country
Corporate directors	Allowed	Allowed	N/A
Statutory			
Annual filing	Annual filing with the Luxembourg Register of Commerce and Companies	Annual filing with the Luxembourg Register of Commerce and Companies	Not mandatory
Company secretary	Not required	Not required	Not required
Annual general meeting (AGM)	Director meetings required if there is more than one director. Shareholder meeting required if there are more than 60 shareholders.	Director meetings required if there is more than one director. Shareholder meetings required.	Not required
Beneficial owner reporting	Required, for those with at least 25% share	Required, for those with at least 25% share	Required, for those with at least 25% share
Re-domiciliation	Permitted	Permitted	Permitted
Financial administration			
Audit required	Internal auditor required if there are more than 60 shareholders. Certified statutory auditor required if the company exceeds two out of the three following thresholds in respect of total balance sheet (€4.4 million), net turnover (€8.8 million) and average number of personnel (50).	Internal auditor required. Certified statutory auditor required if the company exceeds two out of the three following thresholds in respect of total balance sheet (€4.4 million), net turnover (€8.8 million) and average number of personnel (50).	Not required
Filing of annual return	Required	Required	Required
Tax			
Tax rates	<ul style="list-style-type: none"> ➤ 15% for income below EUR 175,000 ➤ EUR 26,250 and 31% of the income amount exceeding EUR 175,000 for income between 175,000 and 200,000 ➤ 17% for income over EUR 200,001 	<ul style="list-style-type: none"> ➤ 15% for income below EUR 175,000 ➤ EUR 26,250 and 31% of the income amount exceeding EUR 175,000 for income between 175,000 and 200,000 ➤ 17% for income over EUR 200,001 	0%
VAT	17%	17%	17%
Tax treaties	Negotiated with 82 countries	Negotiated with 82 countries	Negotiated with 82 countries
Other taxes	Solidarity tax, Municipal business tax, etc.	Solidarity tax, Municipal business tax, etc.	Solidarity tax, Municipal business tax, etc.

This information is not intended to provide legal advice or serve as a substitute for legal research to address specific situations.

28 Liberty Street | New York, NY 10005 | 855.444.5358 | ctcorporation.com/global-corporate-services

Main Types of Legal Entities

	PRIVATE LIMITED LIABILITY COMPANY	PUBLIC LIMITED LIABILITY COMPANY (SOCIÉTÉ ANONYME OR S.A.)	SPECIAL LIMITED PARTNERSHIP (SOCIÉTÉ EN COMMANDITE SPÉCIALE OR SCSP)
Government fees			
Registry fee	EUR 250	EUR 250	EUR 250
License fee	EUR 24	EUR 24	EUR 24
Incorporation process			
Summary	<ul style="list-style-type: none"> ➤ €12,000 share capital to be deposited on the Luxembourg bank account of the company. ➤ The incorporation meeting to be held in the presence of a Luxembourg notary public. ➤ The incorporation deed including the articles of association to be filed with the Luxembourg Register of Commerce and Companies. ➤ Published in the Luxembourg Electronic Gazette. 	<ul style="list-style-type: none"> ➤ €30,000 share capital to be deposited on the Luxembourg bank account of the company. ➤ The incorporation meeting to be held in the presence of a Luxembourg notary public. ➤ The incorporation deed including the articles of association will have to be filed with the Luxembourg Register of Commerce and Companies. ➤ Published in the Luxembourg Electronic Gazette. 	<ul style="list-style-type: none"> ➤ The SCSp may be formed before a Luxembourg notary or under private seal, which is the most common. ➤ The SCSp is formed by the execution of the limited partnership agreement by at least one general partner and at least one limited partner. ➤ Extracts of the limited partnership agreement must be filed with the Luxembourg Register of Commerce and Companies. ➤ Published with the Luxembourg Electronic Gazette.
Time	Up to 4 weeks	Up to 4 weeks	Up to 4 weeks
Other			
Are shelf corporations available?	Available	Available	N/A

This information is not intended to provide legal advice or serve as a substitute for legal research to address specific situations.

28 Liberty Street | New York, NY 10005 | 855.444.5358 | ctcorporation.com/global-corporate-services

CT Service Offerings – Luxembourg



Global Transactional Services

- Due diligence searches
 - Certificate of Good Standing (or equivalent)
 - Health check services
 - Liens/charges
 - Litigation
 - Bankruptcy
- Document retrieval
 - Articles of Incorporation
 - Memorandum of Association
 - Chamber of Commerce Extract
- Authentications and legalizations
- Board changes
- Company searches
- Incorporations
- Liquidation of entities
- Process agent appointments
- Translation services
- Global Entity Management

Corporate Secretarial Services

- Annual compliance
 - Statutory filings
 - Annual board resolution drafting
 - Corporate minute book management
- Domiciliation/Registered Address
- Director Services and Legal Representation

To learn more about how CT can help you better manage your global compliance needs, contact a CT representative at 855.444.5358 (toll-free U.S.).

ctcorporation.com/global-corporate-services