

Information on residency for tax purposes

Section I – Criteria for Individuals to be considered a tax resident

An individual is regarded as tax resident in Liechtenstein if he/she has his/her residence or habitual abode in Liechtenstein.

“Residency” means the place where a person resides in Liechtenstein with the intention of staying there permanently. (Art. 2(1)(b) of the Liechtenstein Tax Act (SteG)).

“Habitual abode” refers to the stay of a person in Liechtenstein that is not temporary. The stay is no longer considered to be temporary when it continuously exceeds six months, disregarding short term interruptions (Art. 2(1)(c) SteG).

Section II – Criteria for Entities to be considered a tax resident

An entity is deemed to be a resident if its seat or place of effective management is located in Liechtenstein (Art. 44 SteG).

“Seat” means the place determined by law or provided for in its statutes, articles of association, or the like (Art. 2(1)(e) SteG).

The term “place of effective management” means the place where the effective management (vital decisions) of the entity is located (Art. 2(1)(d) SteG).

Legal entities subject to corporate income tax are the corporate bodies (e.g. stock companies – Aktiengesellschaft or AG and private companies limited by shares - GmbH); the Anstalt (usually translated as “establishment”) and foundations; investment enterprises as provided by the law; and trusts having legal personality.

Section III – Entity types that are as a rule not considered tax residents

For the purposes of assessing tax residency for entities, as a rule, general and limited partnerships that are transparent for tax purposes and thus not subject to corporate income tax, will not be deemed to be considered as tax residents. However, the partners are taxed individually on their share of profits.

Section IV – Contact point for further information

Contact information regarding Individuals, Entities, and International Tax, respectively (available in German language only):

<http://www.llv.li/#/11647/direkte-steuern-natuerliche-personen>

<http://www.llv.li/#/11824/direkte-steuern-juristische-personen>

<http://www.llv.li/#/1953/internationales-steuerrecht>