

## SPF Private wealth management company



### Scope

- Family wealth company benefiting from a preferential tax regime and acting exclusively for the management of the financial assets of an individual or a group of individuals

### Eligible investors

- Private investors
- Entities serving the interest regarding the private property of one or more individuals (e.g. Trust, private foundation or similar entities)
- Intermediaries acting on behalf of either one stated above (e.g. Institutional investors acting with a fiduciary contract)

### Authorisation – Supervision

- No authorisation required
- Any commercial activity is prohibited
- Subject to the tax supervision of the indirect tax (*Administration de l'enregistrement et des domaines*)

### Legal framework

- Public limited company (S.A.)
- Private limited liability company (S.à R.L.)
- Partnership limited by shares (S.C.A.)
- Cooperative in the form of a public limited company
- Registration seat or central administration located in Luxembourg
- Minimum capital varies depending on the legal form (e.g. S.A./S.C.A.: €31,000; S.à R.L.: €12,500)
- Possibility to represent the capital in non-euro currency
- Contribution in cash or in kind. Fully subscribed and paid-up to a minimum of 25% for S.A. (100% for S.à R.L.)
- No possibility to be listed

### Investment policy

- Acquisition, holding, management and disposal of private liquid financial assets (e.g. shares, bonds, cash, investment funds, etc.)
- Direct holding immovable property is prohibited

### Reporting

- Bylaws to be published in the Luxembourg official journal within one month of the beginning of activities
- No corporate tax returns to be filed
- Subscription tax return to be filed quarterly
- Annual certificate from a domiciliary agent/ auditor/chartered accountant confirming the qualification of the investors as well as the fulfilment of obligations regarding dividend eligibility and as paying agent under the EU Savings Directive

### Taxation

- Exemption from corporate income tax, municipal business tax and net worth tax
- No capital duty applies on incorporation (except a registration duty of €75)
- Distribution of dividends to investors is not subject to any withholding tax
- No tax on capital gains and liquidation proceeds earned by non-resident investors
- No withholding tax on interest payment (unless EU Savings Directive applies)
- Subscription tax at a rate of 0.25% (with a minimum of €100 and a ceiling of €125,000) computed on the value of paid-up share capital plus share premium. In case the company is excessively leveraged the tax applies also on the amount of the debt exceeding eight times the sum in either one stated above
- No access to tax treaties and European directives
- Not subject to VAT obligations

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