

Translation of Liechtenstein Law

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Ordinance
of 21 December 2010
**on National and Municipal Taxes (Tax
Ordinance; SteV)**

On the basis of Art. 153 of the Law of 23 September 2010 on National and Municipal Taxes (Tax Act; SteG), LGBI. 2010 no. 340¹, the Government decrees:

I. General Provisions

Art. 1

Object and designations

1) In implementation of the Tax Act, this Ordinance shall regulate the finer details, in particular in relation to

- a) property and income tax;
- b) corporate earnings tax;
- c) assessment based on standard procedure;
- d) tax claim, tax collection and measures to secure payment of tax.

2) Terms used to designate persons, professions and functions in this Ordinance are to be understood as referring to the male and female genders alike.

¹ LR 640.0

II. National Taxes

A. General Provisions

Art. 2¹

Submission of the application for tax exemption

(Art. 4 (2) and (3) SteG)

1) The application for tax exemption on grounds of pursuit of charitable purposes, as referred to in Art. 4 (2) SteG, is to be submitted to the National Tax Administration. Charitable foundations and establishments may also submit their applications for tax exemption to the Office of Justice, as the supervisory authority for foundations; the Office of Justice shall forward the application to the National Tax Administration.

2) With respect to charitable foundations and establishments that file an application for tax exemption, the Office of Justice shall submit a confirmation to the National Tax Administration that the foundation or establishment in question is subject to its supervision in accordance with Art. 552 § 29 PGR.

Art. 3

Verification of tax exemption

(Art. 4 (2) and (3) SteG)

1) The National Tax Administration shall verify every year whether the conditions for tax exemption continue to be met.

2) The following shall be submitted to the National Tax Administration every year:

- a) for charitable foundations and establishments that have an audit office pursuant to Art. 552 § 27 PGR:
 1. the report and/or the confirmation of the audit office as referred to in Art. 552 § 27 (4) PGR; and
 2. a confirmation from the audit office that the conditions for tax exemption have been met;

¹ Art. 2 amended by LGBL 2013 no. 12.

- b) for other legal persons and special asset endowments without legal personality:
1. the annual financial statements and/or the schedule referred to in Art. 21 (2); and
 2. a summary of the allocation of resources.
- 3) Charitable foundations and establishments may also submit the documents referred to in (2) a) to the Office of Justice which will forward the documents to the National Tax Administration.¹
- 4) If the documents referred to in (2) are not submitted or it transpires upon verification that the legal person or the special asset endowment no longer meets the conditions for tax exemption, it shall not be granted tax exemption.

Art. 4

Tax year

(Art. 14 (5) and 47 (6) SteG)

Where taxpayers do not draw up their annual financial statements to coincide with the calendar year, the year in which the business accounts are concluded shall be used to establish the relevant tax year.

B. Property and Income Tax

1. Common provisions

Art. 5²

Earnings of under-age children (Art. 8 (4) SteG)

The earnings threshold for under-age children above which they are independently assessed for earnings from gainful employment shall be governed by the minimum subsistence level applicable to single persons pursuant to Art. 8 a).

¹ Art. 3 (3) amended by LGBL 2013 no. 12.

² Art. 5 amended by LGBL 2017 no. 442.

Art. 6

*Separate assessment**(Art. 8 (5) SteG)*

1) An application for separate assessment shall be submitted in writing, signed by both spouses or registered partners, to the competent municipal tax office referred to in Art. 101 SteG.¹

2) Separate assessment shall continue until the application is withdrawn, but for a minimum period of five years. Notice of withdrawal shall be made in writing, signed by both spouses or registered partners, at the competent municipal tax office.²

3) The application and its withdrawal shall in all cases be submitted by 31 December of the relevant tax year.³

2. Property Tax

Art. 7

*Delegated payment of the property or income tax**(Art. 9 (3) and (4) SteG)*

1) An application to have the property or income tax paid by the foundation, special asset endowment or the establishment structured in a similar way to a foundation, instead of the beneficiaries, shall be submitted to the Tax Administration in writing.

2) The application shall contain the following details:⁴

- a) for irrevocable foundations, establishments structured in a similar way to foundations and special asset endowments with specifiable beneficiaries: the beneficiaries' place of residence and their beneficial interest;
- b) for revocable foundations, establishments structured in a similar way to foundations and special asset endowments: the name and place of residence of the founder.

¹ Art. 6 (1) amended by LGBL 2011 no. 417.

² Art. 6 (2) amended by LGBL 2011 no. 417.

³ Art. 6 (3) amended by LGBL 2013 no. 108.

⁴ Art. 7 (2) amended by LGBL 2013 no. 108.

3) Delegated payment as referred to in (1) shall continue until the application is withdrawn.

4) The application and any withdrawal shall in all cases be made by 31 December of the relevant tax year.¹

Art. 7a²

Valuation of securities with no quoted price

(Art. 12 (1) d) SteG)

1) Subject to the provisions of (2), securities with no quoted price shall be valued on the basis of the earnings value and the net asset value and shall be governed by Annex 1.

2) The valuation shall not be conducted on the basis of (1), if:

- a) the taxpayer can demonstrate that the valuation referred to in (1) does not correspond to the market value;
- b) a change of ownership between independent third parties has taken place in respect of the securities. In such a case, unless the financial situation of the company has changed significantly, the purchase price shall be deemed the market value.

3) The valuation shall be based on the last annual financial statements concluded before the beginning of the holder's tax year. If consolidated accounts are required under commercial law, the valuation must be based on these accounts. If the consolidated accounts do not contain any reserves permitted under tax regulations, deductions against the equity capital and the accounting result may be undertaken to ascertain the net asset value and earnings value, in order to take due account of undisclosed reserves permitted under tax regulations.

¹ Art. 7 (4) inserted by LGBL 2013 no. 108.

² Art. 7a inserted by LGBL 2013 no. 231.

Art. 7b¹*Valuation of beneficial interests**(Art. 12 (1) d) SteG)*

Beneficial interests in irrevocable foundations, special asset endowments and establishments structured in a similar way to foundations are to be valued at the proportional net asset value of the irrevocable foundation, special asset endowment and establishment structured in a similar way to a foundation. Annex 1 A no. 3 shall apply mutatis mutandis to the determination of the net asset value.

3. Income Tax

Art. 8

*Minimum subsistence level**(Art. 15 (2) i) SteG)*

The gross amount of the minimum subsistence level per month shall be established as follows:

- a) for single persons: 2 000 Francs;
- b) for single parents: 2 500 Francs;
- c) for married couples or registered partners assessed jointly: 3 000 Francs;²
- d) for married couples or registered partners living in the same household, but assessed separately, as well as de facto partners: 1 500 Francs each;³
- e) for each child, an additional:
 1. 300 Francs, for children aged up to 5;
 2. 450 Francs for children aged 6 - 11;
 3. 600 Francs for children over 12.

¹ Art. 7b inserted by LGBL 2014 no. 39.

² Art. 8 c) amended by LGBL 2011 no. 417.

³ Art. 8 d) amended by LGBL 2011 no. 417.

Art. 9

*Honorary offices and voluntary functions**(Art. 15 (2) p) SteG)*

Reimbursement of expenses incurred in respect of honorary positions and voluntary functions shall not be subject to income tax, insofar as:

- a) they are held or performed by members or executive bodies of legal persons that pursue non-commercial goals and are not operating for profit and can demonstrate a wide, open membership; and
- b) they do not exceed 350 Francs per month or 4 200 Francs per year.

Determination of income from agriculture

Art. 10

*a) on the basis of yield units**(Art. 16 (1) a) SteG)*

1) Where agricultural income is determined on the basis of yield units, the income shall be calculated on the basis of the size of the operation and in particular, according to the area under cultivation and the number of animals. The value determined shall be expressed in livestock units.

2) The number of livestock units at which the areas under cultivation and the individual animal species are to be valued is stated in Annex 1a.¹

Art. 11

*b) on the basis of the annual accounts**(Art. 16 (1) a) SteG)*

1) If the taxable income from agriculture is to be determined on the basis of annual accounts, the taxpayer shall submit an application to the National Tax Administration.

1a) The application must be submitted before expiry of the deadline for submission of the tax return.¹

¹ Art. 10 (2) amended by LGBI. 2013 no. 231.

- 2) The application is to be granted if the taxpayer:
- a) keeps proper accounting records and issues annual financial statements; and
 - b) undertakes to produce annual financial statements as referred to in a) for the next five years and to base the tax returns for that period on these statements.

Art. 12

Flat-rate deduction of professional expenses of non-self-employed persons

(Art. 16 (2) c) SteG)

1) Professional expenses shall in principle be settled by a flat-rate deduction of 1 500 Francs, consisting of 1 000 Francs for expenses for travel between the place of residence and the place of work and 500 Francs for further education and retraining costs.

2) If the taxpayer can demonstrate professional expenses in excess of the flat-rate deduction, the amounts in excess shall be permitted as a deduction in respect of exceptional professional expenses pursuant to Art. 13 to 16.

Exceptional professional expenses of non-self-employed persons

Art. 13

a) Basic principle

(Art. 16 (2) c) SteG)

The following shall be considered as exceptional professional expenses:

- a) expenses for travel between the place of residence and place of work in excess of 1 000 Francs;
- b) expenses for further education and retraining in connection with a person's occupation or return to work, in excess of 500 Francs;
- c) additional expenses for meals taken outside the place of residence.

¹ Art. 11 (1a) inserted by LGBl. 2015 no. 318.

Art. 14

*b) Travel between place of residence and work**(Art. 16 (2) c) SteG)*

1) Deductions on the basis of the following criteria may be made in respect of exceptional professional expenses for travel between the place of residence and place of work as referred to in Art. 13 a), subject to the provisions of (4), irrespective of the mode of transport:

- a) One journey to work (round trip) per eligible working day is allowed for calculation purposes, based on the average distance between the place of residence and place of work. The maximum journey to work allowed per working day shall be 200 km.
- b) A maximum of 220 working days shall be allowed per year, and a maximum of 200 for teachers.
- c) The rate per allowable kilometre shall be:
 1. 50 centimes up to an annual journey to work distance of 10 000 km;
 2. 40 centimes for the journey to work distance in excess of 10 000 km.

2) Flat-rate deductions as referred to in Annex 2, based on a working year of 220 working days, may be made for taxpayers whose place of residence and place of work are both located in Liechtenstein. In the case of teachers, the working year shall be reduced to 200 working days for the purpose of deductions. Deductions in respect of part-time employment or employment that is seasonal, or not for a full year, are likewise to be reduced accordingly.

3) No deductions may be made if the employer covers the cost of the journey to work in full. If the employer pays part of the costs of the journey to work, this portion shall constitute a wage component and the full deduction may be applied.

4) If the taxpayer receives reimbursement of costs from occasional or regular passengers, the deduction may only be made to the extent that this does not cover the cost of the journey to work.

Art. 15

*c) Further education and retraining**(Art. 16 (2) c) SteG)*

1) Further education expenses refers to the cost of maintaining and broadening professional knowledge that is directly related to a person's current professional activity and for which there is a proven need.

2) Retraining costs refers to the cost of acquiring proficiency in a profession other than a person's original occupation, where in any event an essential professional connection for the purposes of career progression is assumed.

3) Further education and retraining costs in connection with the return to work of persons not in gainful employment may be deducted from the work-related earnings of such a person in the current, or the two subsequent tax periods.

4) Evidence in the form of receipts shall be provided for these expenses.

Art. 16

*d) Outside meals**(Art. 16 (2) c) SteG)*

1) If the taxpayer's place of work is located outside the taxpayer's place of residence, the sum of 1 100 Francs (220 working days), and 1 000 Francs (200 working days) for teachers, may be deducted as additional costs as referred to in Art. 13 c) in respect of meals taken away from the place of residence.

2) This deduction shall not be permitted if the taxpayer has the option of taking meals in his or her employer's canteen or if the employer makes a contribution towards such expenses.

2a) Cash payments made by the employer for meals taken by the taxpayer away from the taxpayer's place of residence shall constitute a wage component.¹

¹ Art. 16 (2a) inserted by LGBL 2017 no. 442. This shall become applicable for the first time to the 2018 tax year.

3) The deductions shall be reduced accordingly in the event of part-time work or employment that is seasonal or not all-year-round.

Art. 17¹

Repealed

Art. 18

Self-employed persons' obligation to keep accounts

(Art. 17 (1) SteG)

1) Taxpayers having income from self-employment shall be under no obligation to maintain proper accounts, unless their annual gross turnover exceeds 10 000 Francs. They may deduct flat-rate professional expenses to the amount of 20 % of their gross turnover in order to determine taxable income.

2) Other taxpayers who have income from self-employment shall be obliged to keep proper accounts. They shall enter business assets at the acquisition cost or the cost of production, less necessary depreciations and value adjustments, and liabilities at the anticipated amount of recovery. Art. 22 to 30 shall apply mutatis mutandis to depreciations, value adjustments and specific provisions.

¹ Art. 17 repealed by LGBL 2014 no. 365. Art. 17 of the previous law shall apply to one-off and regular contributions to recognised pension schemes, pension funds and similar schemes for occupational pension schemes to which the previous law applies pursuant to no. II Section 3a of the Law of 7 November 2014 amending the Law of 4 September 2014 amending the Tax Act (LGBL 2014 no. 345) (LGBL 2014 no. 365).

No. II Section 3a, LGBL 2014 no. 345: If one-off contributions have been made to recognised pension schemes, pension funds and similar occupational pension schemes prior to 4 September 2014, these contributions and regular contributions may be deducted from the taxable income in the tax return for the 2014 tax year to the extent referred to in Art. 16 (3) e) [SteG] of the previous law, provided that these total contributions exceed the maximum permitted percentage pursuant to Art. 16 (3) e) [SteG] of the new law.

3a. Crediting of Tax¹

Art. 18a²

Basic principle

(Art. 22 (2) SteG)

1) Taxpayers may claim a credit for foreign tax paid on income from assets and other income, subject to the provisions of (2) to (4), where this income originates from states with which:

- a) a double taxation agreement has been concluded that provides for a tax credit of this type; or
- b) reciprocity exists.

2) A tax credit according to (1) may only be claimed provided that property and income tax has been paid in Liechtenstein:

- a) income from assets: in relation to the relevant assets;
- b) other income: in relation to this income.

3) A tax credit according to (1) may not be claimed:

- a) by taxpayers who are subject to taxation according to their expenses; or
- b) in cases in which the total amount of foreign tax does not exceed 50 Francs during the tax year.

4) The tax credit applicable to income from self-employment shall be governed by Art. 36a to 36c.

Art. 18b³

Allowable amount

(Art. 22 (2) SteG)

1) The amount of a tax credit shall be equal to the total amount of foreign tax levied on income that becomes payable in the course of one year (year payable), however the amount, at maximum, of the tax owed

¹ Heading before Art. 18a inserted by LGBL 2017 no. 442.

² Art. 18a inserted by LGBL 2017 no. 442.

³ Art. 18b inserted by LGBL 2017 no. 442.

on this income in Liechtenstein during a tax year (maximum tax credit). All possibilities in the foreign state shall be exhausted to reduce the foreign tax on this income.

2) For income from assets, the maximum tax credit shall be determined as follows:

- a) The starting value shall be the total assets on which foreign tax is payable at the beginning of the tax year or upon the onset of tax liability.
- b) The proportional amount of debts allocatable to these assets shall be deducted.
- c) The projected income shall then be calculated on the basis of the assets less debts.
- d) The proportionate amount of deductions to be taken into account in determining taxable income shall be subtracted from this projected income.
- e) The actual average tax rate of Liechtenstein shall be applicable to the resulting amount.

3) For other income, the maximum tax credit shall be determined as follows:

- a) The starting value shall be the total income on which foreign tax is payable at the end of the tax year or at the end of tax liability.
- b) The deductions that are financially related to this income and the proportionate amount of deductions to be taken into account in determining taxable income shall be subtracted from this income.
- c) The actual average tax rate of Liechtenstein shall be applicable to the resulting amount.

Art. 18c¹

Claiming tax credits

(Art. 22 (2) SteG)

1) Tax credits will be granted only upon request.

2) A request for a tax credit may be submitted, at the earliest, at the end of the tax year in which the income becomes payable.

¹ Art. 18c inserted by LGBL 2017 no. 442.

3) The claim to a tax credit shall expire if a request is not made within three years of the end of the tax year in which the income becomes payable.

4) The foreign tax shall be credited against the Liechtenstein tax of the year in which the income becomes payable.

4. Deduction of tax at source¹

Art. 19²

Application for assessment using the standard procedure

(Art. 23 (2) c SteG)

An application for assessment using the standard procedure shall be made by 31 December of the relevant tax year in all cases.

Art. 20

Interest payable on tax deduction

(Art. 29 Abs. 2 SteG)

The interest rate on the certified tax deduction shall be zero percent.

¹ Heading before Art. 19 amended by LGBL 2013 no. 108.

² Art. 19 amended by LGBL 2013 no. 231.

C. Corporate earnings Tax

1. Determination of taxable net earnings

a) General provisions

Art. 21

Accounting

(Art. 47 (1) SteG)

1) Legal persons who are obliged to keep proper accounts under the provisions of the Persons and Companies Act shall use the annual financial statements drawn up in accordance with the relevant provisions for the determination of their net taxable income.

2) Legal persons who are not obliged to keep proper accounts under the provisions of the Persons and Companies Act, and for whom the financial consequences of the business operations can be presented in a simple and clear manner without keeping proper accounts, shall maintain schedules in respect of assets and liabilities, as well as income and expenditure. To ensure that the result determined is relevant to the period, income and expenditure shall be accrued or deferred according to the period concerned. The assets and liabilities are in principle valued at their respective market value or anticipated amount of recovery and fixed assets may also be valued at their amortised acquisition cost. The valuation method selected must be retained for subsequent years.

3) Legal persons who are not obliged to keep proper accounts under the provisions of the Persons and Companies Act, but however do not meet the requirement set out in (2), shall be obliged to keep proper accounts for the purpose of determining their taxable net income. Such accounts shall be kept in accordance with the general provisions on accounting (Art. 1045 et seq. PGR).

4) Allocations from a foundation, special asset endowment and establishment structured in a similar way to a foundation to their beneficiaries shall not represent expenditure.

b) Depreciations, value adjustments and specific provisions recognised for tax purposes

Art. 22

*Basic principle**(Art. 47 (3) c) SteG)*

1) Depreciations, value adjustments and specific provisions are only recognised for tax purposes if they are commercially justified. They shall only be deemed commercially justified if they refer to:

- a) assets that are essential to the business operations of the taxpayer; or
- b) events that are directly connected to the business operations.

2) Depreciations and value adjustments shall be deemed taxable income if they are recovered through sale, upward revaluation or through other means.

3) Evidence shall be provided on an annual basis of the necessity and relevance of the value adjustments, specific provisions and unscheduled depreciations. They shall be invalidated for tax purposes if the reasons for which they were made cease to apply.

Depreciations and value adjustments on tangible and intangible assets

Art. 23

*a) Obligation to capitalise**(Art. 47 (3) c) SteG)*

Assets that are to be used beyond the next balance sheet date are to be capitalised. This shall also apply to self-generated assets.

Art. 24

*b) Scheduled and unscheduled depreciations**(Art. 47 (3) c) SteG)*

1) Assets whose use is limited in time shall be subject to scheduled depreciation.

2) Assets whose use is not limited in time, may not be depreciated according to a schedule.

3) Unscheduled depreciations may be made in the event of anticipated, permanent reductions in value.

Art. 25

c) Retrospective depreciations

(Art. 47(3) c) SteG)

Scheduled depreciations may be performed retrospectively for the two years preceding the financial year in question.

Art. 26

d) Depreciation rates

(Art. 47 (3) c) SteG)

1) Scheduled depreciations may be made on the book value or the acquisition value. The National Tax Administration must be informed of any change in the depreciation method; the method of depreciation selected must be retained for at least five years.

2) The following standard rates are permitted as being commercially justified for scheduled depreciations on the book value:

- a) 5 % for real estate (residential, office, retail, hotel, catering, manufacturing, factory and warehouse buildings, as well as parking places);
- b) 15 % for non-permanently-secured-to-ground buildings, technical installations, that are not permanently attached to the building, capital investments in third-party properties, high-rack warehouses and aircraft;
- c) 20 % for office and shop furnishings and fittings, as well as factory and warehouse fixtures and fittings of a movable type;
- d) 25 % for furnishings and fittings for the hotel and catering industry;
- e) 30 % for appliances and machinery for production purposes, vending machines, telephone installations and user-specific software solutions;
- f) 35 % for machinery used in shift work or under difficult conditions and all types of motor vehicles;

- g) 40 % for intangible assets (patents, copyrights, concessions, licences, acquired customer base etc.);
- h) 50 % for PC hardware and software, servers, office equipment, tools, as well as tableware and linen for the catering industry;
- i) 50 % for officially approved environment protection facilities as well as energy-saving installations and plant for using ambient heat sources.

3) If depreciations are made on the basis of acquisition cost, the standard rates set out in (2) are to be reduced by half.

4) Depreciations on real estate (developed land) are commercially justified up to the level of the estimated tax value. Depreciations below the estimated tax value will only be approved for tax purposes, if the taxpayer can demonstrate that the market value of the land and building is below the estimated tax value as at the balance sheet date. Evidence is to be provided by the market value estimate from the Chairman of the valuation committee.¹

5) The depreciation rates referred to in (2) are the maximum permitted standard rates for scheduled depreciations. Higher rates will be approved if the taxpayer can prove that they are necessary.

Art. 27

Value adjustments on stock

(Art. 47(3) c SteG)

1) A value adjustment of one third is permitted for tax purposes on the maximum commercial value of stock.

2) A value adjustment on stock is only permitted by the National Tax Administration if the taxpayer keeps a full and detailed inventory and provides the National Tax Administration with the required information concerning the valuation at production cost and at market value on request.

¹ Art. 26 (4) amended by LGBl. 2016 no. 429.

Art. 28

*Value adjustments on accounts receivable**(Art. 47 (3) c SteG)*

1) Value adjustments may be made on impending losses on receivables. These must be entered on a separate account. If there are no special circumstances, lump-sum adjustments of up to 10 % may be made to receivables for goods and services, after individual adjustments as referred to in (3). No lump-sum adjustments are permitted to receivables from public corporations, public law entities, banks or related persons.¹

2) Banks may apply lump-sum adjustments of up to 5 % to receivables from customers.²

3) If the taxpayer applies individual adjustments for actual impending losses on receivables, he or she shall provide evidence to the National Tax Administration that such individual adjustments are necessary.

Art. 29

*Depreciations and value adjustments to financial assets**(Art. 47 (3) c and Art. 53 SteG)*

Evidence shall be provided every year that depreciations and value adjustments to financial assets are necessary and appropriate, using an approved method of business evaluation or other appropriate documents.

Art. 30

*Specific provisions**(Art. 47 (3)c SteG)*

Specific provisions to be charged to the profit and loss statement are permitted for:

¹ Art. 28 (1) amended by LGBL 2015 no. 318, shall apply for the first time to the 2016 tax year.

² Art. 28 (2) amended by LGBL 2015 no. 318, shall apply for the first time to the 2016 tax year.

- a) liabilities existing during the financial year where the amount cannot yet be specified;
- b) other directly impending losses during the financial year.

c) Tax-exempt income

Art. 31¹

Holdings (Art. 48 (1) e) and f) SteG)

Units in undertakings for collective investment in transferable securities (UCITS), investment undertakings or alternative investment funds (AIF) do not represent a holding in a legal person. Insofar as the UCITS, the investment undertaking or the AIF has itself invested in holdings in legal persons, such assets shall be taxed pursuant to Art. 48 (1) e) and f) SteG.

c^{bis}) Related persons²

Art. 31a³

Definition

(Art. 16 (6), Art. 47 (3) e) and g), Art. 49, 53 (3) and (4) and Art. 54 (3) SteG)⁴

The following natural and legal persons in particular shall be deemed to be related:

- a) Persons who have a direct or indirect interest in the taxpayer;
- b) Persons who currently, or will in future, directly or indirectly benefit from the taxpayer;
- c) Persons in whom the taxpayer has a direct or indirect interest, or from whom the taxpayer directly or indirectly benefits;

¹ Art. 31 amended by LGBL 2016 no. 116.

² Heading before Art. 31a inserted by LGBL 2014 no. 365.

³ Art. 31a inserted by LGBL 2014 no. 365.

⁴ Art. 31a Subject heading amended by LGBL 2015 no. 318.

- d) Executive bodies of the taxpayer;
- e) Persons with whom the taxpayer is in a close personal relationship, in particular through a family connection or as a friend;
- f) Persons in a close relationship with related persons as referred to in a) to d) in the way referred to in e);
- g) Persons in whom related persons referred to in a) to c) have a direct or indirect interest or from whom they directly or indirectly benefit.¹

c^{ter}) Arm's length principle²

Art. 31b³

Transfer pricing

(Art. 49 SteG)

1) In determining the transfer pricing applicable to transactions with related persons and permanent establishments, taxpayers shall apply the guidelines in the current edition of the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations as amended (“OECD Guidelines”).⁴ The actual facts and circumstances of the relevant transaction shall be taken into account in selecting the most appropriate transfer pricing method to be applied. One of the following methods shall be selected:

- a) Comparable uncontrolled price method;
- b) Resale price method;
- c) Cost plus method;
- d) Transactional net margin method;
- e) Transactional profit split method;
- f) Another method where the methods according to a) to e) are not appropriate for properly showing the arm's length principle.

¹ Art. 31a g) inserted by LGBL 2015 no. 318.

² Heading before Art. 31b inserted by LGBL 2017 no. 442.

³ Art. 31b inserted by LGBL 2017 no. 442. This shall become applicable for the first time to the 2018 tax year.

⁴ The transfer pricing guidelines are available under: www.oecd-ilibrary.org/taxation/oecd-transfer-pricing-guidelines-for-multinational-enterprises-and-tax-administrations_20769717.

2) Taxpayers who are members of a group of companies that generates a consolidated turnover in excess of 900 million Francs shall document the appropriateness of the transfer pricing applied by them by means of a master file and a local file complying with the stipulations of the OECD Guidelines.

3) Cross-border transactions pursuant to (2) shall be documented where:

- a) purchases and sales of goods: the transactions exceed 1 000 000 Francs per related person or permanent establishment and year;
- b) other income and expenses: the transactions exceed 250 000 Francs per income or expense category, related person or permanent establishment and year;

4) Taxpayers who are not members of a group of companies pursuant to (2), however who exceed the size criteria according to Art. 1064 (2) Liechtenstein Persons and Companies Act (PGR), shall document the appropriateness of the transfer pricing applied by them as follows:

- a) Description of the enterprise, the business model, and its legal and organisational structure;
- b) Listing of all business relationships with related persons and permanent establishments (nature and scope);
- c) Description of the allocation of relevant functions, risks and assets between the individual parties who are involved in business relationships with related persons or permanent establishments;
- d) Description of the selection of transfer pricing method(s) applied to the relevant transactions or transaction types and the reason why this or these transfer pricing method(s) has/have been selected;
- e) Documentation and/or analyses on how the transfer prices were specifically determined and on the appropriateness of the transfer pricing applied.

5) Cross-border transactions pursuant to (4) shall be documented where:

- a) purchases and sales of goods: the transactions exceed 500 000 Francs per related person or permanent establishment and year;
- b) other income and expenses: the transactions exceed 125 000 Francs per income or expense category, related person or permanent establishment and year;

6) The documentation according to (2) to (5) shall be submitted to the National Tax Administration, upon request, within sixty days. This documentation shall be submitted in German or English.

- 7) The documentation requirement pursuant to (2) to (6) shall apply to transactions with related persons according to Art. 31a a) and c), provided that their holding or beneficial interest amounts to 25% at minimum.
- 8) For the transactions with related persons pursuant to Art. 31a and permanent establishments that are not recognised in (2) to (5) and (7), taxpayers shall provide evidence to the National Tax Administration, upon request, of compliance with the arm's length principle by means of appropriate documentation.

d) Equity capital – interest deduction

Art. 32

Determination

(Art. 54 (2) SteG)¹

1) The starting value on which the determination of the modified equity capital is based is the amount of equity capital determined in accordance with Art. 18 and/or 21, taking into account taxed added value and impairments. In the case of UCITS, investment undertakings and AIFs, only equity capital that is not allocated to managed assets pursuant to the UCITSG, IUG and AIFMG is to be applied.²

2) In the event of a limited tax liability (Art. 44 (2) SteG), the only element of the equity capital to be taken into consideration is the portion referring to assets through which domestic income as referred to in Art. 44 (3) SteG is generated.

3) When determining the modified equity capital the assets referred to in Art. 54 (2) SteG are to be deducted from the starting value.³

4) Equity injections during the current year through contributions and equity reductions during the current year brought about by capital reductions and capital redemption, as well as through disclosed distributions, are to be taken into account when determining the modified equity capital on a pro rata basis in terms of time, whereby accruals and retire-

¹ Art. 32 Subject heading amended by LGBL 2014 no. 365.

² Art. 32 (1) amended by LGBL 2016 no. 116.

³ Art. 32 (3) amended by LGBL 2014 no. 365.

ments of one quarter are to be consolidated and are deemed as having arisen in the middle of the quarter.¹

5) When determining the modified equity capital, the deductions made pursuant to (3) shall in each case be taken into account at the average value of the financial year. The average is determined on a quarterly basis, whereby accruals and retirements of one quarter are to be consolidated and are deemed as having arisen in the middle of the quarter. If this data is not available, a different method may be used on request. In special cases the National Tax Administration may, particularly in the case of holdings in legal persons and assets that are not essential to business operations, insist on a more specific averaging mechanism.

6) Repealed²

7) If the financial year does not consist of twelve months, the equity capital-interest deduction may be applied on a pro rata basis over the period of time.

Art. 32a³

Assets not essential to business operations

(Art. 54 (2) SteG)

1) Assets not essential to business operations shall be assets that do not primarily serve the actual business objective, in particular luxury items and works of art, land reserves and excessive liquidity reserves.

2) An excessive liquidity reserve shall be presumed to exist in the case of actively operating businesses, subject to the provisions of (3), to the extent that a positive balance is achieved on the basis of the following calculation:⁴

	Balance sheet items	Valued at
	Short-term receivables, accruals and deferrals and liquid assets	100 %
less	short-term liabilities and accruals and deferrals in respect of third parties	160 %

¹ Art. 32 (4) amended by LGBL 2015 no. 318.

² Art. 32 (6) repealed by LGBL 2014 no. 365.

³ Art. 32a inserted by LGBL 2014 no. 365.

⁴ Art. 32a (2) amended by LGBL 2015 no. 318.

less	short-term liabilities to related persons	100 %
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Advance payments and turnover deferrals are not to be included in short-term liabilities and accrual and deferral items.

3) In the case of actively operating businesses with a turnover of less than 10 000 000 Francs, excessive liquidity reserves will be presumed to exist insofar as the liquid resources exceed 25 % of the net turnover, or at the level of the positive balance referred to in (2), based on the lower of the two values.

4) Distributions that have been resolved upon shall be deducted from the excessive liquidity reserves referred to in (2) and (3).

5) The provisions of (2) to (4) shall not apply to banks, insurance, holding or finance companies.¹

e) Deduction for income from intellectual property rights

Art. 33²

Repealed

f) Special accounting rules

Art. 34³

Requirement

(Art. 59 SteG)

Depreciations, value adjustments and specific provisions pursuant to Art. 22 to 30 that are not recognised in the annual financial statements prepared under commercial law as well as different valuations for replacement purchases and restructuring measures may be claimed for tax

¹ Art. 32a (5) amended by LGBL 2017 no. 442.

² Art. 33 repealed by LGBL 2013 no. 108.

³ Art. 34 amended by LGBL 2017 no. 442. It shall become applicable in this form for the first time to the 2018 tax year.

purposes, provided that the annual financial statements have been prepared according to special statutory accounting rules.

Art. 35

Tax recognition of depreciations, value adjustments and specific provisions

(Art. 59 SteG)

When determining the taxable net income, expenditure on depreciations, value adjustments and specific provisions that is not entered in the accounts shall be recognised up to a maximum of 15 % of the profit stated in the annual financial statements pursuant to Art. 34. No further expenses may be applied in the event of losses.

Art. 36

Taxpayer's duty of cooperation

(Art. 59 SteG)

Taxpayers wishing to apply the provisions of Art. 35, shall submit the following documents, in addition to the annual financial statements drawn up in accordance with the accounting provisions as set out in Art. 34:

- a) the reconciliation statement of the commercial result against the taxable net income; and
- b) conclusive documentary evidence in respect of each item shown in the reconciliation statement referred to in a).

1a. Crediting of Tax¹

Art. 36a²

Basic principle

(Art. 22 (2) SteG)

1) Taxpayers may claim a credit for foreign tax paid on income, subject to the provisions of (2) and (3), where this income originates from states with which:

- a) a double taxation agreement has been concluded that provides for a tax credit of this type; or
- b) reciprocity exists.

2) A tax credit according to (1) may only be claimed provided that corporate earnings tax has been paid on this income in Liechtenstein.

3) A tax credit according to (1) may not be claimed in cases in which the total amount of foreign tax does not exceed 50 Francs during the tax year.

Art. 36b³

Maximum tax credit

(Art. 22 (2) SteG)

1) The amount of the tax credit shall be equal to the total amount of tax levied by the foreign state, however the amount, at maximum, of the tax owed on this income in Liechtenstein (maximum tax credit). All possibilities in the foreign state shall be exhausted to reduce the foreign tax.

2) The maximum tax credit shall be determined by applying the actual average tax rate in Liechtenstein (determined excluding tax-exempt income) to the income on which foreign tax is payable. The expenses that are financially related to this income shall be subtracted from it.

¹ Heading before Art. 36a inserted by LGBL 2017 no. 442.

² Art. 36a inserted by LGBL 2017 no. 442.

³ Art. 36b inserted by LGBL 2017 no. 442.

Art. 36c¹*Claiming tax credits**(Art. 22 (2) SteG)*

- 1) Tax credits will be granted only upon request.
- 2) The claim to a tax credit shall expire if a request is not made within three years of the end of the tax year in which the income becomes payable.
- 3) The foreign tax shall be credited against the Liechtenstein tax of the year in which the income becomes payable.

2. Private asset structuresArt. 37²*Granting of status as a private asset structure**(Art. 64 SteG)*

- 1) Legal persons that meet the conditions set out in Art. 64 (1) to (3) SteG, shall be granted the status of a private asset structure by the National Tax Administration, upon application.
- 2) The National Tax Administration shall examine in particular:
 - a) the articles of incorporation;
 - b) the annual financial statements pursuant to Art. 21 (1) of this Ordinance or statement of assets pursuant to Art. 182b (1) PGR;
 - c) information concerning the nature of the income and assets and a description of the applicant's actual activities;
 - d) confirmation from the applicant that:
 1. it does not perform any commercial activity;
 2. the applicant's shares or units have not been offered publicly and are not traded on a stock exchange and are only held by such in-

¹ Art. 36c inserted by LGBL 2017 no. 442.

² Regarding the entry into force of Art. 37 see Art. 160 (3) SteG, LGBL 2010 no. 340 (LR 640.0).

vestors as referred to in Art. 64 (3), SteG or that only such investors have a beneficial interest;

3. it does not advertise for shareholders or investors and does not receive remunerations or reimbursement of costs from them, or from third parties, for its activities;
4. it, or its shareholders or beneficiaries do not exercise control over the management of the holding company through direct or indirect influence.

3) If the documents referred to in (2) do not provide a sufficiently clear basis for assessing whether the legal requirements for private asset structures have been met, the National Tax Administration may consult the following additional documents:

- a) minutes of the meetings of the Board of Directors, the Foundation Board or other executive bodies of the applicant;
- b) extracts from the Commercial Register or similar register extracts:
 1. of subsidiaries;
 2. of shareholders or beneficiaries;
- c) confirmation from shareholders or beneficiaries that an investor of the type referred to in Art. 64 (3) SteG is involved and more specific details regarding their activities;
- d) other appropriate documents that provide evidence of compliance with the legal requirements.

4) For newly established legal persons, the application must be submitted within one month from establishment at the latest and for existing legal persons, before the beginning of the financial year in respect of which the application for private asset structure status is made.²

5) In the event of significant changes, in particular regarding the business activity, the legal person shall inform the National Tax Administration no later than six months from the end of the tax year and confirm that the requirements set out in Art. 64 (1) to (3) SteG continue to be met.

¹ Art. 37 (3) b) amended by LGBL 2013 no. 12.

² Art. 37 (4) amended by LGBL 2013 no. 108.

Art. 38¹

Supervision

(Art. 64 SteG)

1) At the request of the legal person, the National Tax Administration may delegate an impartial auditor to supervise compliance with the requirements set out in Art. 64 (1) to (3) SteG. The legal person shall bear the cost of the auditor's services.

2) If it becomes clear from the supervisory inspections conducted by the National Tax Administration or by the auditor that the requirements set out in Art. 64 (1) to (3) SteG are not being met, corporate earnings tax pursuant to Art. 44 et seq. SteG will be levied for the relevant years.

III. Organisation and implementation

A. Assessment based on standard procedure

Art. 38a²

Binding statements and commitments

(Art. 93a SteG)

1) Requests for binding statement or commitment shall be submitted in writing to the National Tax Administration and shall contain the following details:

- a) the exact designation of the party submitting the request;
- b) binding statements: a detailed description of the circumstances that have not yet come to pass; binding commitments: a detailed description of the circumstances that have taken place.
- c) a drafting of the specific questions of law to be answered;
- d) an assessment in tax terms of the questions of law set out in the request.

¹ With reference to entry into force of Art. 38 see Art. 160 (3) SteG, LGBL. 2010 no. 340 (LR 640.0).

² Art. 38a inserted by LGBL. 2017 no. 442.

2) The binding statement or commitment issued shall be binding for taxation purposes provided that the subsequent circumstances do not differ from the circumstances on which the binding statement or commitment is based or differ only insignificantly.

3) The binding effect of a binding statement or commitment shall be void:

- a) as from the date at which the legal provisions on which the statement or commitment is based are repealed or amended; or
- b) binding statements or commitments subject to a time limit: upon the lapse of the time limit.

4) Notwithstanding (2) and (3), a binding statement or commitment may be revoked or amended with effect for the future if it turns out that the statement or commitment issued was incorrect.

5) Reviewing a request shall be subject to the payment of a fee. The amount of the fee shall be governed by the Ordinance on the Levying of Administrative Fees and Charges by the Government and Public Offices (Verordnung über die Einhebung von Verwaltungskosten und Gebühren durch die Regierung und Amtsstellen).

Property and income tax

Art. 39

a) Tax return

(Art. 94 SteG)

1) The tax return shall contain the information required for the purposes of taxation, in particular concerning the taxpayer, property and income.

2) The following documents shall be enclosed with the tax return, insofar as entries are made in the following fields:

- a) detailed annual financial statements (electronic balance sheet and profit and loss statement);
- b) data sheet for the tax assessment and financial statistics;
- c) evidence of the acquisition value and the official value of foreign real estate on the basis of a foreign tax notice;

- d) valuations of domestic and foreign equity securities as referred to in Art. 12 (1) c) and d) SteG;
- e) certificates referred to in Art. 99 SteG;
- f) evidence for the individual deductions made;
- g) form for the determination of the agricultural assets and the agricultural income or annual financial statements for farmers.

Art. 40

b) Extension of the deadline for submission of the tax return

(Art. 95 (4) SteG)

1) The competent municipal tax office may, upon a duly substantiated written request, extend the deadline for submission by up to five months. The request must be made before the end of the normal submission deadline.

2) An advance payment of 80 % of the tax for the previous year shall be required if the deadline is extended by more than one month.¹

Corporate earnings tax

Art. 41

a) Tax return

(Art. 94 (2) SteG)

1) The tax return shall contain the information required for the purposes of taxation, in particular concerning the company, the profit and loss statement, the balance sheet, the appropriation of profit and the beneficial owners liable to tax in Liechtenstein.

1a) The tax return shall be drawn up using the electronic software provided on the National Tax Administration's website and then submitted to the Tax Administration in printed form.²

2) The tax return shall be accompanied by the following documents:

¹ Art. 40 (2) amended by LGBl. 2013 no. 231.

² Art. 41 (1a) amended by LGBl. 2015 no. 318.

- a) detailed annual financial statements (electronic balance sheet and profit and loss statement) or a schedule as referred to in Art. 21, including information concerning the financial year preceding the annual financial statements or the schedule;¹
- b) report of the audit office, insofar as the taxpayer's accounts are subject to audit or review;²
- c) ledger sheets in respect of loans and current accounts of the beneficial owners and persons related with them;
- d) statement of the specific provisions and deferred income (deferrals);
- e) resolution of the most senior executive body concerning the appropriation of profit.

3) The documents referred to in (2) may also be drafted in English.

4) The amounts in the tax return shall be declared in Swiss Francs, euro or US dollars.

5) Legal persons who are obliged to produce accounts and do not pursue any activity of a commercial nature, may use any freely convertible foreign currency to record the figures in their tax return.³

Art. 42

b) Extension of the deadline for submission

(Art. 95 (4) SteG)

1) The National Tax Administration may, upon a duly substantiated written request, extend the deadline for submission by six months. This request shall be made 30 days from the general due date (Art. 113 (3) SteG) at the latest.

2) The provisional bill must be paid if the deadline is extended.

3) The submission deadline may be further extended in particularly justified cases, namely in the case of events over which there is no control and which delay the submission of the tax return indefinitely. The request must be submitted before the end of the first deadline extension.

¹ Art. 41 (2) a) amended by LGBL 2015 no. 318.

² Art. 41 (2) b) amended by LGBL 2014 no. 365.

³ Art. 41 (5) inserted by LGBL 2014 no. 365.

Art. 43

*Duty of Disclosure**(Art. 96 (3) SteG)*

Gifts, inheritances or bequests must be declared if they exceed 10 000 Francs.

Art. 44

*Costs of inspections by auditors**(Art. 97 (3) SteG)*

If an impartial auditor is appointed as an inspection body at the request of the National Tax Administration or the taxpayer, the applicant shall bear the cost of the auditor's services.

B. Tax claim

Art. 45

*Delay interest**(Art. 114 (3) SteG)*

The interest rate applied to delayed payments shall be 4 %.

C. Tax collection and measures to secure payment of tax*Provisional and final collection*Art. 46¹

Repealed

¹ Art. 46 repealed by LGBL 2013 no. 231.

Art. 47

*b) Corporate earnings tax**(Art. 127 SteG)*

1) Taxpayers who have not been assessed for tax purposes by the general due date (Art. 113 (3) SteG) shall receive a provisional bill until such time as they are assessed.

2) The provisional bill shall be based on the following:

- a) the tax return submitted within the deadline for submission;
- b) the presumed tax amount due, notified within the submission deadline; or
- c) the last legally enforceable tax assessment.

3) Taxpayers subject to the minimum corporate earnings tax pursuant to Art. 62 (2) and (3) shall in any case be charged the minimum corporate earnings tax.

Art. 48

*Refund interest**(Art. 130 (2) SteG)*

The interest rate payable on refunds shall be 2 %.

IV. Transitional and final provisions

Art. 49

Transitional provisions

1) In derogation of Art. 4, the following rules shall apply to 2011 for taxpayers whose annual financial statements do not coincide with the calendar year:

- a) If the closing date for accounts falls between 1 January and 30 June 2011, taxation will be governed by the provisions applying to the 2010 tax year.

b) If the closing date for accounts falls between 1 July and 31 December 2011, taxation will be governed by the provisions applying to the 2011 tax year.

2) In derogation of Art. 47 (2) c), the provisional bill for the 2011 and 2012 tax years shall be determined on the basis of 80 % of the last legally enforceable assessment.

Art. 50

Repeal of the previous law

The following are repealed:

- a) Ordinance of 8 June 1961 concerning the taxation of agricultural income, LGBL. 1961 no. 15;
- b) Ordinance of 3 March 1970 amending the Ordinance concerning the taxation of agricultural income, LGBL. 1970 no. 19;
- c) Ordinance of 4 April 1968 concerning tax-exempt provisions, LGBL. 1968 no. 12/1;
- d) Ordinance of 7 December 2004 amending the Ordinance concerning tax-exempt provisions, LGBL. 2004 no. 276;
- e) Ordinance of 15 September 2009 concerning tax-related depreciations, LGBL. 2009 no. 237;
- f) Ordinance of 4 April 1968 concerning the valuation of stock and allocation to reserves in respect of stock, LGBL. 1968 no. 12/3;
- g) Ordinance of 3 March 1970 concerning the measurement of exceptional professional expenses of non-self-employed persons, LGBL. 1970 no. 17;
- h) Ordinance of 8 January 1974 amending the Ordinance concerning the measurement of exceptional professional expenses of non-self-employed persons, LGBL. 1974 no. 2;
- i) Ordinance of 8 September 1981 amending the Ordinance concerning the measurement of exceptional professional expenses of non-self-employed persons, LGBL. 1981 no. 48;
- k) Ordinance of 4 February 1999 amending the Ordinance concerning the measurement of exceptional professional expenses of non-self-employed persons, LGBL. 1999 no. 54;
- l) Ordinance of 21 December 1999 amending the Ordinance concerning the measurement of exceptional professional expenses of non-self-employed persons, LGBL. 2000 no. 3;

- m) Ordinance of 29 December 1981 to the Law concerning National and Municipal Taxes, LGBL. 1982 no. 12;
- n) Ordinance of 17 March 1992 concerning the tax treatment of occupational pension schemes, LGBL. 1992 no. 31;
- o) Ordinance of 7 December 2004 concerning the recognition for tax purposes of depreciations, value adjustments and specific provisions not entered in the accounts, LGBL. 2004 no. 275.

Art. 51

Entry into force

1) Subject to (2) this Ordinance shall enter into force on 1 January 2011.

2) The provisions concerning private asset structures referred to in Art. 37 and 38 shall enter into force at the same time as Art. 64 SteG.

Princely Government:

signed. *Dr. Klaus
Tschütscher*

Head of the Princely Government

Annex 1¹
(Art. 7a (1))

Valuation of securities with no quoted price

A. Actively operating legal persons

1. Business value

The business value (= market value) for actively operating legal persons with a commercial, industrial or service operation is determined as follows:

$$U(p) = \frac{2xE(p) + S(p)}{3}$$

U = business value
E = earnings value
S = net asset value
p = end of n financial year
n = financial year

If the legal person to be valued has receivables from shareholders and assets not essential to business operations, as referred to in Art. 54 SteG, the net asset value for the purpose of weighting against the earnings value is reduced accordingly and the earnings value is adjusted by the capitalised net result from such assets. For determining the relevant business value the assets referred to are then in turn added to the (operating) business value.

The relevant business value shall represent at least 60 % of the (operating) net asset value plus 100 % of the receivables from shareholders and the assets not essential to business operations.

¹ Annex 1 amended by LGBL 2013 no. 231 and LGBL 2014 no. 365.

2. Earnings value

The earnings value at point in time p shall be determined as follows:

$$E(p) = \frac{(2xR(n) + R(n-1)) * 0.85}{3xK}$$

- E = earnings value
- R = accounting result
- K = capitalisation interest rate
- p = end of n financial year
- n = financial year
- 0.85 = corresponds to a risk discount of 15 %

The accounting result R is equivalent to the net income in accordance with commercial law, taking into account tax-related adjustments for expenditure that is not justified for business purposes. A negative earnings value is to be entered as Zero.

Insofar as a financial year does not cover twelve months, the corresponding accounting result is to be converted to twelve months. For newly established businesses, the net asset value shall be used as the business value until representative results can be obtained.

If the business activity has fundamentally changed or the accounting results have been significantly affected by exceptional events, the National Tax Administration may adjust the accounting results accordingly in order to determine representative values.

For regulated financial institutions and service providers that are subject to the oversight of the Financial Market Authority, the capitalisation rate shall be 20 %. For all other legal persons the capitalisation rate shall be 15 %.

3. Net asset value

The net asset value at point in time p shall be determined as follows:

$$S(p) = EK(p) + SRB(p) + SR(p)$$

- S = net asset value
- EK = equity capital disclosed in the annual financial statements (after appropriation of profit)
- SRB = undisclosed reserves on holdings
- SR = taxed undisclosed reserves
- p = end of the n tax year

If the business to be valued itself holds shares in other unlisted companies, these shares are also to be valued using the procedure set out

in no. 1 (= SRB). If the value obtained is below the balance sheet value of the holding, the balance sheet value shall be used.

B. Holding, finance and real estate companies, legal persons in liquidation and legal persons not actively in operation

For holding, finance and real estate companies, legal persons in liquidation and legal persons not actively in operation, the business value shall be the net asset value referred to in A no. 3. Financial institutions, in particular banks and insurance companies, are not considered as finance companies.

C. Proprietary restrictions

Where the holder of a minority holding has a limited influence over the management and the decisions of the General Meeting and there are restrictions placed on the transfer of company shares, this shall be recognised on a standardised basis. Private-law contracts such as shareholders' agreements shall have little relevance for tax purposes. The following standard deductions are allowed on the business value determined according to A. on the basis of the share of voting rights:

Share of voting rights	standard deduction
< 20 %	20 %
>= 20 % < 50 %	10 %
>= 50 %	0 %

Annex 1a¹

(Art. 10)

Taxation of agricultural income

A. Valuation of livestock units

The following conversion formula shall be used to value livestock units for the purpose of determining income from agriculture:

1. Animal species:	Livestock unit (GVE)
<i>Bovine species:</i>	
dairy cows	1.00
other cows	0.80
Other animals of bovine species:	
over 730 days old	0.60
over 365 up to 730 days old	0.40
over 120 up to 365 days old	0.30
up to 120 days old	0.10
<i>Equine species:</i>	
horses, 3 year olds and over	1.00
young horses, 2 year olds	0.70
foals up to 1 year old	0.50
mules and hinnies	0.40
ponies, small horse breeds and donkeys	0.25
<i>Sheep and goats:</i>	
sheep	0.17
goats	0.17
sheep and goats less than 1 year old	0.00
<i>Pigs:</i>	
fattening pigs	0.17
other pigs	0.25
<i>Other animal species:</i>	
laying hens	0.01
fattening turkeys	0.01
1 bee colony	0.03

¹ Annex 1a inserted by LGBL 2013 no. 231 and amended by LGBL 2014 no. 39 (The amendment of A no. 1 shall apply for the first time to the assessment of the 2013 tax year).

2. Cultivated land and feed sales:

Private woodland associated with an agricultural business, per m ³ or stere of the average annual timber growth (felling rate)	0.10
Arable land, per 80 ares	1.00
Vine-growing land, per 25 ares	1.00
Exclusively fruit production, per 25 ares	1.00
Vegetable cultivation, per 40 ares	1.00
Feed sales, per 7 000 kg	1.00

3. If laying hens or bee colonies are kept exclusively as a subsidiary agricultural enterprise, the keeping of up to and including 10 bee colonies and up to and including 30 laying hens shall not be counted for the purposes of determining agricultural income.

B. Value of a livestock unit

One livestock unit is equivalent to earnings of 1 000 Francs in the lowland municipalities and 800 Francs in the upland municipalities of Triesenberg, Schellenberg and Planken.

Annex 2¹
(Art. 14 (2))

Flat-rate deductions for journeys between place of residence and place of work in Liechtenstein

Bälzers	0	1220	2150	1880	2670	3660	4280	3720	4390	4210	4060	3810	4810	4690
Triesen	1220	0	950	770	1570	2560	3110	2640	3290	3070	2890	2670	3710	3550
Triesenberg	2150	950	0	1370	2230	3220	3840	3250	3950	3770	3550	3370	4370	4250
Vaduz	1880	770	1370	0	800	1760	2340	1880	2520	2300	2120	1900	2920	2780
Schaan	2670	1570	2230	800	0	990	1610	1030	1730	1540	1320	1150	2150	2030
Pruniken	3660	2560	3220	1760	990	0	2470	1930	2800	2400	2320	2150	3050	3030
Eschen	4280	3110	3840	2340	1610	2470	0	550	400	930	750	510	860	1390
Nendeln	3720	2640	3250	1880	1030	1930	550	0	880	490	1240	990	1970	1880
Mauren	4390	3290	3950	2520	1730	2800	400	880	0	530	1150	910	490	1790
Schaanwald	4210	3070	3770	2300	1540	2400	930	490	530	0	1730	1490	1020	2370
Gamprin	4060	2890	3550	2120	1320	2300	750	1240	1150	1730	0	310	730	660
Bendern	3810	2670	3370	1900	1150	2150	510	990	910	1490	310	0	1040	950
Schellenberg	4810	3710	4370	2930	2150	3050	860	1970	490	1020	730	1040	0	840
Ruggell	4690	3550	4250	2780	2030	3030	1390	1880	1790	2370	660	950	840	0

¹ Annex 2 amended by LGBI. 2013 no. 108.

640.01

Transitional provisions

640.01 **O on National and Municipal Taxes (Tax Ordinance; SteV)**

Liechtenstein Legal Gazette

2015

no. 318

issued on 4 December 2015

Ordinance of 1 December 2015 amending the Tax Ordinance

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II.

Entry into force

1) This Ordinance shall enter into force on the day after its promulgation¹ and subject to the provisions of (2) and (3) shall become applicable for the first time to the 2015 tax year.

2) Legal persons that were wound up before the entry into force of this Ordinance or whose business accounts for the 2015 tax year closed before the entry into force of this Ordinance shall be taxed in accordance with the previous law.

3) Art. 28 (1) and (2) shall become applicable for the first time to the 2016 tax year.

¹ Entry into force: 5 December 2015

Liechtenstein Legal Gazette

2016

No. 116

published on 07 April 2016

Ordinance of 22 March 2016 **amending the Tax Ordinance**

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II. **Entry into force**

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