



CHEVALIER & SCIALES
LUXEMBOURG LAW FIRM

Comparison table of Luxembourg private wealth vehicles

2025



MONTEREY INSIGHTS: LUXEMBOURG FUND REPORT 2024

Chevalier & Scales has been ranked in the top quintile for client retention among Luxembourg fund service providers. The latest affinity rankings from Monterey Insights and Paperjam shows that our firm has been recognized in the 1st quintile for client retention among Luxembourg fund service providers between 31 December 2019 and 31 December 2023.

Monterey Insight's comprehensive analysis evaluated Luxembourg's fund service providers, including legal advisors, administrators, custodians, management companies (mancos), and transfer agents, focusing on "affinity" or client retention rates. The research specifically examined how frequently investment fund firms change service providers (e.g., legal advisors, custodians).

According to the article of Paperjam, 'There are many factors which impact affinity, but this quantitative analysis attempts to provide some insight into which service providers perform the best—defined as retaining more funds—and those that fare less well.'



'The team has an impressive track record in advising on the structuring and launch of various investment funds, including alternative investment funds, UCITS, and specialized investment funds. They have successfully assisted clients with complex fund formations, regulatory compliance, and operational matters across different asset classes.'



'Chevalier & Sciales' commercial litigation practice has resolved high-stakes disputes, including a precedent-setting €500 million enforcement case under the New York Convention and complex shareholder conflicts in investment funds. The team secured landmark rulings at Luxembourg's Court of Appeal and Supreme Court, overturning decisions that violated procedural rights under the European Convention on Human Rights.'

OTHER 2025 RANKINGS:

Private equity
Corporate tax
International arbitration
Restructuring & Insolvency
Mergers & Acquisitions

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Comparison table of Luxembourg private wealth vehicles //

This table shows at a glance the most important features of the Luxembourg private wealth investment vehicles. It includes SIFs, SICARs, RAIFs, SPFs, securitisation vehicles, unregulated common and special limited partnerships (SCS/SCSp) as well as ordinary Luxembourg companies (soparfis). It covers aspects such as eligible investors and assets, AIFMD status, regulatory oversight, service provider requirements, sub-funds and taxation.



	SIF	SICAR	RAIF	SPF	Unregulated SCS/SCSp	Ordinary Luxembourg company
Applicable legislation	Law of 13 February 2007 ("SIF Law")	Law of 15 June 2004 ("SICAR Law")	Law of 23 July 2016 ("RAIF Law")	Law of 11 May 2007 ("SPF Law")	Law of 10 August 1915 ("Company Law")	Law of 10 August 1915 ("Company Law")
Authorisation and supervision by the CSSF	Yes.	Yes.	No.	No.	No.	No.
Qualification as an AIF	Yes, unless exempt. It is exempt if it does not raise capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors.	Yes, unless exempt. It is exempt if it does not raise capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors.	Always an AIF.	In principle, no (as it would not be considered as "raising" capital from a number of investors as the structure generally serves for the investment of the private wealth of a "pre-existing group" (as defined in the Esma guidelines on key concepts of the AIFMD)).	Non-AIF, unless activities fall within the scope of article 1 (39) of the AIFM Law.	Non-AIF, unless activities fall within the scope of article 1 (39) of the AIFM Law.
Exemption from AIFMD full regime under lighter regime (AIFMD registration regime)	Possible.	Possible.	No.	Not applicable.	Possible.	Possible.
External authorised AIFM requirement	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Always required.	Not applicable.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.



	SIF	SICAR	RAIF	SPF	Unregulated SCS/SCSp	Ordinary Luxembourg company
Eligible investors	Well-informed investors.	Well-informed investors.	Well-informed investors.	Restricted to: - natural persons acting in the context of the management of their personal wealth; - management entities acting solely in the interest of the private wealth (e.g. trusts, private foundations); and intermediaries acting for the account of the above mentioned eligible investors (e.g. bank acting under a fiduciary agreement).	Unrestricted.	Unrestricted.
Eligible assets	Unrestricted.	Restricted to investments in securities representing risk capital. According to the CSSF Circular 06/241, investment in risk capital is to be understood as the direct or indirect contribution of assets to entities in view of their launch, their development or their listing on a stock exchange. The SICAR is not allowed to invest directly in real estate (except for its own use or through its participations).	Unrestricted, unless it invests in a portfolio of risk capital (such as a Sicar).	Restricted to acquisition, detention, management and realisation of financial assets. The SPF is not allowed to carry out commercial activities or to hold directly real estate (except for its own use or through its participations).	Unrestricted.	Unrestricted.



	SIF	SICAR	RAIF	SPF	Unregulated SCS/SCSp	Ordinary Luxembourg company
Risk diversification requirements	Risk diversification requirements are defined by CSSF Circular n° 07/309. Such requirements are less stringent than the ones applicable to UCITS and UCI. In particular, a SIF is not allowed to invest more than 30% of its net assets in securities of the same type issued by the same issuer.	No risk diversification requirements.	Risk diversification requirements are aligned with those applicable to SIFs, unless the RAIF chooses to invest in risk capital only and such choice is mentioned in its constitutive documents.	No risk diversification requirements.	No risk diversification requirements.	No risk diversification requirements.
Legal Form	• FCP • SICAV (SA, Sàrl, SCA, SCoSA, SCS, SCSp) • SICAF (SA, Sàrl, SCA, SCoSA, SCS, SCSp) The entities may be open-ended or closed-ended.	• SA • Sàrl • SCA • SCS • SCSp • SCoSA The entities may be open-ended or closed-ended.	• FCP • SICAV (SA, Sàrl, SCA, SCoSA, SCS, SCSp) • SICAF (SA, Sàrl, SCA, SCoSA, SCS, SCSp) The entities may be open-ended or closed-ended.	• SA • Sàrl • SCA • SCoSA	• SCS • SCSp	• SA, Sàrl, SCA • SAS • SCoSA • SCS • SCSp
Umbrella structure	Yes.	Yes.	Yes.	No.	No.	No.



	SIF	SICAR	RAIF	SPF	Unregulated SCS/SCSp	Ordinary Luxembourg company
Capital requirements	EUR 1,250,000 to be reached no later than 24 months following the authorisation by the CSSF.	EUR 1,000,000 to be reached no later than 24 months following the authorisation by the CSSF.	FCP: EUR 1,250,000 to be reached within 24 months from the entry into force of the management regulations. SICAV: EUR 1,250,000 to be reached within 24 months from the incorporation of the SICAV.	Depends on the form: - SA / SCA: EUR 30,000 - Sàrl: EUR 12,000 - SCSA: no minimum capital.	No minimum capital requirement.	Depends on the form: - SA / SCA: EUR 30,000 - Sàrl: EUR 12,000 No minimum capital requirement for other legal forms.
Required service providers	- Management company in case of an FCP. - Depository bank or professional of the financial sector providing depository services, subject to conditions. - Administrative agent. - Registrar and Transfer Agent. - Approved statutory auditor.	- Depository bank or professional of the financial sector providing depository services, subject to conditions. - Administrative agent. - Registrar and Transfer Agent. - Approved statutory auditor.	- Management company in case of an FCP. - Depository bank or professional of the financial sector providing depository services, subject to conditions. - Administrative agent. - Registrar and Transfer Agent. - Approved statutory auditor. - Authorised AIFM.	Registered auditor in principle not required unless two of the following criteria are met: (i) net turnover above EUR 8.8 million, (ii) balance sheet above EUR 4.4 million and (iii) average number of employees above 50. However, depending on the legal form of the company, there may be an obligation to appoint a <i>commissaire aux comptes</i> .	For SCS: - Alternative Investment Fund Manager (if the SCS qualifies as an AIF). - No requirement to appoint a depository (except if the SCS qualifies as an AIF and is managed by a duly authorised AIFM). For SCSp: - Alternative Investment Fund Manager (if the SCSp qualifies as an AIF). - No requirement to appoint a depository (except if the SCSp qualifies as an AIF and is managed by a duly authorised AIFM).	Registered auditor in principle not required unless the company is an AIF managed by an AIFM with AUM above the threshold or two of the following criteria are met: (i) net turnover above EUR 8.8 million, (ii) balance sheet above EUR 4.4 million and (iii) average number of employees above 50. However, depending on the legal form of the company, there may be an obligation to appoint a <i>commissaire aux comptes</i> . On 28 July 2023, draft bill 8286 (the Draft Bill) was released, aiming to overhaul Luxembourg accounting law applicable to undertakings (the New Law).
Possibility of listing	Yes.	Yes, but difficult in practice.	Yes.	No.	In principle, no. The SCS/SCSp may however issue debt securities that are eligible to be listed on the stock exchange.	Yes.
European passport	No, unless it falls under the scope of the full AIFMD regime.	No, unless it falls under the scope of the full AIFMD regime.	Yes.	No.	No, unless it falls under the scope of the full AIFMD regime.	No, unless it falls under the scope of the full AIFMD regime.
Net asset value (NAV) calculation and redemption frequency	At least once a year for reporting purposes.	The valuation of the assets of the company is based on "fair value".	At least once a year for reporting purposes.	Not required.	Not required.	Not required.



	SIF	SICAR	RAIF	SPF	Unregulated SCS/SCSp	Ordinary Luxembourg company
Overall income tax (corporate income tax and municipal business tax)	No income tax.	General aggregate rate: 23.87%. In certain cases, reduced corporate income tax rates may apply. Income derived from transferable securities (e.g. dividends received and capital gains realised on the sale of shares) is exempt. Income on cash held for the purpose of a future investment is also exempt (for one year).	No income tax, unless investing only in risk capital, then SICAR tax regime applicable.	No income tax.	No corporate income tax applicable. Municipal business tax of 6.75% applicable in very limited circumstances, namely in case the SCS/SCSp (i) carries out a commercial activity or (ii) is deemed to carry out a commercial activity. A SCS/SCSp is deemed to carry out a commercial activity if its general partner is a Luxembourg public or private limited liability company holding at least 5% of the partnership interests. With a proper structuring of the GPs partnership interest it should be possible to avoid the deemed commercial characterisation of the SCS/SCSp.	General aggregate rate: 23.87%, but 100% exemption for dividends, liquidation proceeds and capital gains from qualifying participations.
Subscription tax (NAV: net asset value)	Rate: 0.01% of the NAV annually. Tax exemptions: certain money market and pension funds or SIFs investing in other funds which are already subject to subscription tax.	No subscription tax.	Rate: 0.01% of the NAV annually. - Exemptions apply.	Annual subscription tax of 0.25% on the amount of paid up capital and issue premium (if any).	No subscription tax.	No subscription tax.
Wealth tax	No wealth tax.	No wealth tax.	No wealth tax.	No wealth tax.	No wealth tax.	0.5% on a taxable base of up to EUR 500 million. As of 1 January 2025, there is progressionve net wealth tax based solely on the company's total balance sheet size, regardless of asset composition: €535 for companies with a total balance sheet up to and including €350,000 €1,605 for companies with a total balance sheet between €350,001 and €2,000,000 €4,815 for companies with a total balance sheet exceeding €2,000,000



	SIF	SICAR	RAIF	SPF	Unregulated SCS/SCSp	Ordinary Luxembourg company
Withholding tax on dividends	Not subject to withholding tax.	Not subject to withholding tax.	Not subject to withholding tax.	Not subject to withholding tax.	Not subject to withholding tax.	Dividends distributed by a Luxembourg company are in principle subject to withholding tax at a rate of 15%, unless a domestic law exemption or a lower tax treaty rate applies.
Benefit from Double Tax Treaty network	• SICAV/SICAF: Limited to certain double tax treaties (see circular L.G. -A n°61 of the tax administration of 8 December 2017). • FCP: see circular L.G.-A n°61 of the tax administration of 8 December 2017.	Yes in case the SICAR is set-up as a corporate entity (except if set-up under the form of a SCS/SCSp).	• RAIFs investing in a portfolio of risk capital (such as a SICAR) Access if set-up as a corporate entity (except if set-up under the form of a SCS/SCSp). • RAIFs not investing in a portfolio of risk capital (such as a SICAR), but set-up as: SICAV / SICAF: Limited to certain double tax treaties (see circular L.G. -A n°61 of the tax administration of 8 December 2017). FCP: see circular L.G.-A n°61 of the tax administration of 8 December 2017.	No.	No.	Yes.
Benefit from the EU Parent Subsidiary Directive	No.	In principle yes, but certain jurisdictions where the target companies are located may challenge the application of the directive.	No, unless RAIF that invests in a portfolio of risk capital (such as a SICAR).	No.	No.	Yes.
Thin capitalization rules (debt-to-equity ratio)	No debt-to-equity ratio.	No debt-to-equity ratio.	No debt-to-equity ratio.	Tax of 0.25% on the debt that exceeds 8 times the paid-up capital increased by the issue premium.	No debt-to-equity ratio.	No provision in Luxembourg law. However, there is a specific administrative practice.

Glossary of terms:

AIF: Alternative Investment Fund as defined by article 1 (39) of the AIFM Law, namely collective investment undertakings, including investment compartments thereof, which (a) raise capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors; and (b) do not require authorization pursuant to article 5 of Directive 2009/65/EC (i.e. UCITS).

AIFMD: Directive 2011/61/EU on alternative investment fund managers.

AIFMD registration regime: An AIFM that wishes to make use of the registration regime must have assets under management of less than EUR 100 million, or EUR 500 million if it manages only funds closed for at least 5 years not using leverage.

AIFM: A legal person whose regular business is managing one or more AIFs.

AIFM Law: Luxembourg law of 12 July 2013 on alternative investment fund managers (transposing the AIFM directive into Luxembourg law).

AIFM Law threshold: the thresholds provided for in article 3 (2) of the AIFM Law.

CSSF: The Luxembourg Supervisory Authority of the Financial Sector (*Commission de Surveillance du Secteur Financier*).

CLO: Collateralised Loan Obligation.

Company Law: The Luxembourg law of 10th August 1915 on commercial companies, as amended from time to time.

FCP: Common fund (*fonds commun de placement*).

Part II UCI: Undertaking for collective investment established under Part II of the Luxembourg law of 17 December 2010.

RAIF: Reserved alternative investment fund (*fonds d'investissement alternatif réservé*).

S.A.: Public limited liability company (*société anonyme*).

S.à r.l.: Private limited liability company (*société à responsabilité limitée*).

SAS: Simplified stock company (*société par actions simplifiée*).

S.C.A.: Corporate partnership limited by shares (*société en commandite par actions*).

SCoSA: Cooperative company organised as a public limited company (*société cooperative organisée comme une société anonyme*).

SCS: Common limited partnership (*société en commandite simple*).

SCSp : Special limited partnership (*société en commandite spéciale*).

SICAF: Investment company with fixed capital (*société d'investissement à capital fixe*).

SICAR: Investment company in risk capital (*société d'investissement en capital à risqué*).

SICAV: Investment company with variable capital (*société d'investissement à capital variable*).

SIF: Specialised investment fund (*fonds d'investissement spécialisé*).

SPF: Private wealth management company (*société de gestion de patrimoine familial*).

UCITS : Undertakings for collective investments in transferable securities.

Well-informed investors: A well-informed investor is an institutional investor, a professional investor or any other investor who has stated in writing that s/he adheres to the status of well-informed investor and invests a minimum of 125,000 Euro in the SIF/SICAR/RAIF, as applicable, or has been subject of an assessment made by a credit institution, by an investment firm or by a management company certifying his/her expertise, his/her experience and his/her knowledge to adequately appraise an investment in the SIF/SICAR/RAIF, as applicable.

HOW CAN WE ASSIST YOU?

Our team:

- Supports clients in identifying the most suitable Luxembourg private wealth vehicle to meet their objectives from a legal, tax and asset-protection perspective, including RAIF, SICAR, special limited partnerships and family wealth management companies (SPF).
- Introduces clients to service providers that meet their needs, such as private banks, asset managers, domiciliation agents, corporate service providers, accountants, and auditors.
- Assists with the establishment of private wealth vehicles, including drafting constitutional documents, shareholder agreements, by-laws, and ancillary documentation, assistance with incorporation and, where applicable, registration with Luxembourg authorities.
- Advises on and implements restructuring of existing structures to optimise asset protection, succession planning or governance.
- Assists with the migration of private wealth structures to Luxembourg, including cross-border corporate conversions, transfers of seat, or re-domiciliation of holding and investment entities.
- Provides ongoing corporate support services throughout the vehicle's lifetime, including amendments to governing documents, changes to shareholding or management, and winding-up or liquidation procedures.
- Coordinates changes of service providers, ensuring smooth transitions for asset manager, banking, administration, or accounting functions.
- Advises on cross-border succession planning and asset transfers, in co-operation with trusted foreign counsel where needed.
- Keeps clients informed of relevant legal and regulatory developments affecting their Luxembourg private wealth structures.



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Chevalier & Sciales is a Luxembourg law firm established in 2005 with specialist expertise in investment management, corporate transactions, banking and finance as well as high-level litigation and dispute resolutions. Our dynamic litigation and transaction teams have an international reputation for bringing together excellence and intellectual rigour with a practical and business-minded approach in serving our clients.

Our aim is to offer a one-stop-shop service to our clients and to provide tailored solutions to meet their needs, responsively and cost-effectively. Our practice areas are structured to ensure a comprehensive understanding of our clients' business and markets. We work with recognised tax experts and other service providers to provide you with the assistance and services you require through every aspect of your transactions and business.

Chevalier & Sciales is recommended and listed in the area of investment funds, litigation and dispute resolution and banking and finance.

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