

The Liechtenstein Trust Law Reform 2026

Executive Summary

Among mainland European countries, Liechtenstein is unique in being the only civil law jurisdiction to have adopted a comprehensive, codified version of the Anglo-Saxon trust. The 2026 "Optimization of Trust Law" reform package represents the most significant revision of the Liechtenstein trust law in decades. Scheduled to enter into force on **1 July 2026**, with full implementation required by **31 December 2027** (the end of the transitional period), the legislation introduces a new paradigm of trust governance, designed to combine the traditional flexibility of the Liechtenstein trust with strengthened requirements relating to governance, information rights, and oversight.

The centerpiece of the reform is the introduction of the concept of a mandatory **"Information Officer"** (*Informationsberechtigter*), a functionary responsible for ensuring compliance by the trustee with the rules governing the respective trust. This innovation enables Liechtenstein to eschew the "beneficiary principle" of Anglo-Saxon law in favor of a model in which

a person chosen by the settlor acts as the guardian of the trust's integrity.

Furthermore, the reform clarifies the distinction between private and charitable trusts, subjecting the latter to state supervision while preserving the private nature of the former.

The Information Officer – a New Function in Trust Governance

1. Concept

The Information Officer is a person or entity responsible for exercising information and disclosure rights vis-à-vis the trustee and conducting an annual compliance audit. Unlike a protector, whose powers are often negative (e.g. veto rights) or discretionary (e.g. power to appoint trustees), the Information Officer has positive, mandatory statutory powers and duties towards the trust.

The legislator's rationale is clear: this function is intended to establish a mechanism for accountability without having to rely on the Anglo-Saxon "beneficiary principle". This enables a trust to operate with a system of checks and balances even when the

beneficiaries are not yet aware of its existence or specifics.

2. Designation: The Settlor's Prerogative

2.1. The Priority of the Settlor

In principle, the settlor has the primary right (and duty) to designate at least one Information Officer and one successor, to ensure uninterrupted oversight. The law provides a wide range of options:

- (a) **The settlor:** Settlers may designate themselves as the Information Officer. This may be an option, for example, in case of revocable trusts or lifetime settlements, where the settlor wishes to retain a certain degree of influence.
- (b) **Beneficiaries:** Settlers may designate one, several, or all beneficiaries. This enables a settlor to effectively mirror the Anglo-Saxon "beneficiary principle", giving beneficiaries full information rights.
- (c) **Third parties:** Settlers may designate trusted advisors, lawyers, family offices, or personal confidants. They may also entrust an existing function, such as that of a protector or an advisory board, with the additional powers and responsibilities of the Information Officer.
- (d) **Auditors:** The settlor may designate a professional audit firm.

2.2. Independence and Expertise or Opt-out

By default, the Information Officer must be independent of the trustee (i.e., must not have a personal or employment relationship with the trustee) and possess sufficient legal and economic expertise to perform their duties. However, these requirements can be waived by the settlor in the trust documentation. This would allow a spouse, child or other related or trusted person without specific expertise, for example, to assume the role.

2.3. The Appointment Cascade

If the appointment mechanism provided for by the settlor in the trust documentation fails (e.g., the designated person dies without naming a successor), the legislation imposes a strict fallback regime:

- (a) **Trustee's duty:** The trustee must attempt to appoint a person in accordance with the fallback provisions in the trust documents.
- (b) **Court appointment:** If no internal solution can be found, the trustee must apply to the Liechtenstein Princely Court to request the appointment of a qualified auditor (*Revisionsstelle*) to the role.

3. Rights and Duties of the Information Officer

3.1. Comprehensive Information Rights

The Information Officer has a comprehensive right to information and disclosure vis-à-vis the trustee. This right includes:

- access to all trust documents, including deeds and letters of wishes;
- inspection of all resolutions passed by the trustee;
- full access to business books, accounting records, and bank statements;
- the right to demand an up-to-date inventory of assets; and
- the right to question the trustee about the management and use of the trust assets.

3.2. The Mandatory Annual Compliance Audit

The core operational duty is the annual compliance audit. The Information Officer is legally obliged to verify, once a year, whether the trust property is being managed and used in accordance with the trust documents.

- **Scope:** This is not necessarily a full financial audit. It is a *compliance audit*. The Information Officer reviews whether the trust assets are administered and used in accordance with the terms of the trust documents.
- **Exceptions:** The duty to audit is suspended if the Information Officer is either the settlor or comprises *all* beneficiaries.

3.3. Reporting and Remediation

- **No findings:** If the compliance audit reveals no issues, the Information Officer will confirm this (i.e., compliance) in writing to the trustee.
- **Minor breaches:** If the audit reveals minor infractions (e.g., administrative delays or minor documentation gaps), the Information Officer will notify the trustee and set a deadline for *remediation*. Once the issues have been resolved, the Information Officer will issue a confirmation of compliance to the trustee. If remediation is not carried out, the Information Officer has a duty to report to the Court.
- **Material breaches:** If the compliance audit reveals material issues, or if a breach jeopardizes the trust asset, the Information Officer has no discretion: it must *report* the matter to the Court or to the Liechtenstein Foundation and Trust Supervisory Authority (*STIFTA*), as applicable.

3.4. Compensation

The Information Officer is entitled to reasonable compensation and reimbursement of expenses by law. For professional fiduciary service providers or auditors, this will be based on standard market rates. However, the settlor can exclude this right in the trust documents, unless the Information Officer is a qualified auditor.

3.5. Special Rules for Charitable Trusts

Unlike private or family trusts, which have no state supervision, limited registration or notification duties,

and an Information Officer serving as an internal control function, special rules apply to charitable trusts. They are subject to mandatory supervision by the Liechtenstein Foundation and Trust Supervisory Authority (*STIFTA*) and must be registered with the Liechtenstein Commercial Register. They also require an audit by a qualified external auditor. In this case, the Information Officer's role is assumed by the *STIFTA*. While the settlor can appoint extra officers, oversight by the *STIFTA* is mandatory.

4. What Needs to be Done?

4.1. By the Settlor

With regard to both newly established and existing trusts, the settlor has a statutory power (and duty) to ensure compliance without retaining "reserved powers" that could endanger asset protection or the trust's tax status abroad:

- **Designation right:** Settlers should exercise their primary right (and obligation) to designate at least one Information Officer and one successor from a wide range of options (see Section 2.1). A settlor may opt to move the trust closer to the Anglo-Saxon model by designating beneficiaries, or designate a trusted confidant or advisor, a protector or an advisory board as the Information Officer. In each case, the objective is to ensure that the trustee is overseen by someone aligned with the settlor's vision.
- **Alternation right:** In case of existing trusts, the settlor may amend the trust documentation in order to comply with the statutory requirement to establish and designate an Information Officer, even if the trust documentation does not expressly provide for an alternation right.
- **Waiver rights:** The settlor may opt out of or modify the requirements regarding the independence, expertise and compensation of the Information Officer.
- **Privacy preservation:** The settlor may keep the compliance audit internal to prevent sen-

sitive information from being leaked to a wider circle of third parties, or to beneficiaries if this is intended.

4.2. By the Trustee

With regard to existing trusts, the trustee is responsible for implementing the necessary changes during the 18-month transition period. The following steps must be taken to ensure that the trust structure complies with the new statutory requirements:

(a) **Scenario A – active settlor** (the settlor is alive and has capacity):

- **Amendment of trust documentation:** The settlor can designate an Information Officer and a successor through an amendment to the existing trust documentation, even if there is no explicit right to alter the trust. This amendment may also specify the rules governing appointment and dismissal, as well as the term of office. The settlor may also choose to opt out of, or modify, the statutory requirements relating to independence, expertise and compensation. The trustee will then appoint the Information Officer in accordance with the amended trust documentation.
- **No court involvement:** Amending the trust documents and appointing an Information Officer in this case does not require the involvement or approval of the Court.
- **Notification:** The fact that the trust documents have been amended in accordance with the new law must be notified to the Liechtenstein Office of Justice. However, the identity of the Information Officer is not publicly disclosed.

(b) **Scenario B – inactive settlor** (the settlor is deceased, incapacitated or unreachable):

- **Presumed will:** The trustee must review the trust documentation and any other relevant documents drawn up by the settlor (such as letters of wishes) to assess whether the settlor's presumed will regarding the identity of the Information Officer can be established.
- **Court approval:** If the settlor's presumed will can be established, the trustee may amend the trust documentation accordingly with the approval of the Court.
- **Beneficiary default:** If the settlor's presumed will remains unknown, all entitled beneficiaries shall be appointed as Information Officers. If there is no such "beneficiary default" (e.g., in case of a discretionary trust), the trustee shall request the Court to appoint a qualified auditor to act as Information Officer.

(c) **Scenario C – charitable trusts:**

- **Audit:** The appointment of a qualified auditor is mandatory.
- **Notification:** The trust documents must to be submitted to the Liechtenstein Foundation and Trust Supervisory Authority (STIFTA).
- **Registration** with the Liechtenstein Commercial Register is required, including an entry reflecting the supervisory status.
- **Notification:** The trustee must notify the Liechtenstein Office of Justice of the implementation of the statutory changes.
- The **implementation period** is shorter and lasts only six months.

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