

On December 16, 2025, the Luxembourg parliament submitted draft bill 8669; this bill of law was introduced to allow deferred payment of the minimum share capital for private limited liability companies (*SARLs*). This was proposed to modernize the law of August 10, 1915, regarding commercial companies (the **Law**). This modernization authorizes the founders of *SARLs* to defer the payment up to twelve months after the constitution of the company.

INTRODUCTION

Currently, the requirement is that the minimum share capital (12 000 euros according to article 710-5 of the Law) is fully released for the *SARLs* to be incorporated (article 710-6 of the Law). This prerequisite has slowed down the establishment of a company. Indeed, in practice, unless the contribution is made in kind, full payment of the initial share capital requires opening a bank account in the company's name prior to incorporation. The associated AML/CFT due diligence can be time-consuming and may delay or even impede the transaction. This amendment would modernize the Law and bring a flexibility needed by the legal practitioners and their clients. It intends to maintain and develop the attractiveness of the Luxembourg financial center and enable the legislation to take advantage of the UE regulations.

KEY INFORMATION

To preserve juridical safety, this deferred payment would apply only for the contributions in cash. Therefore, in-kind contributions must still be paid up by the time of the incorporation of the *SARL*. The shares issued in consideration of the capital increases after incorporation will continue to be fully paid on the day it takes effect. The draft bill also clarifies that the deferred payment mechanism applies to *SARL-S*, subject to their specific statutory framework.

Regarding the liability regime applicable the new article 710-7 of the Law would be applicable, mirroring the regime applicable to public limited liability companies (*sociétés anonymes*).

For the founders' responsibility: they will be liable for the part of the capital contribution that has not been validly subscribed to and on the actual release of the capital constitution, after twelve months' delay.

In case of transfer of shares: the valid transfer of shares relieves the transferring shareholder of any contribution to debts incurred after the transfer in relation to the company, and after the publication of the transfer with the Luxembourg Trade and Companies Register in relation to third parties.

Third parties' protection is guaranteed by a publicity measure inspired by the one applicable to public limited liability companies (*sociétés anonymes*) for the shares whose subscription price has not been fully released yet.

IN A NUTSHELL

The proposed amendments are expected to substantially enhance the efficiency of the company formation process. They would allow for the rapid implementation of complex structures, frequently comprising multiple *S.à.r.l.* entities, without creating a risk of transaction delays.

These changes would offer greater flexibility by permitting the incorporation of an *S.à.r.l.* prior to the completion of the bank account opening process, while maintaining full compliance with AML/CFT requirements.

The draft bill is currently under consideration by the Luxembourg Parliament. We will keep readers informed as soon as it is adopted.

OUR IMPLICATION

For further information, do not hesitate to contact your Corporate Law, Mergers & Acquisitions expert at Strelia Luxembourg.



Michaël Meylan



Célia Klein