LUXEMBOURG
BUSINESS
REGISTERS

Luxembourg, 14 September 2026

Circular LBR 26/02

Concerns: **Compliance procedure for keeping the trade and company register (RCS) and the Beneficial Owners Register (RBE) up to date**

The purpose of this circular is to explain the compliance procedure (1) and the administrative measures and sanctions implemented during its enforcement phase (2), introduced by the law of 23 January 2025 amending the law of 19 December 2002 on the trade and company register and the accounting and annual accounts of companies and the law of 13 January 2019 establishing a Beneficial Owners Register.

1. The compliance procedure

As a preliminary point, it should be recalled that the data registered with the RCS or the RBE must be adequate, accurate and up to date, in accordance with Article 1 of the amended law of 19 December 2002 on the trade and company register and the accounting and annual accounts of companies (hereinafter the "RCS Law") and Article 4 of the amended law of 13 January 2019 establishing a Beneficial Owners Register (hereinafter the "RBE Law"). This obligation also derives from the applicable international standards.

To ensure that the files and information held in the RCS and the RBE are kept up to date, Luxembourg Business Registers (LBR) monitors the registered data and may require the registered entity to provide any supporting item or document capable of substantiating the accuracy of a registration. In practice, since January 2026, LBR has implemented an automated process for monitoring the RCS and RBE databases in order to detect incorrect or outdated data, failure to register information required by law, or failure to file a deed.

(Art. 19-6(1) of the RCS Law and Art. 9(1) of the RBE Law)

This automated monitoring of the databases operates at two levels:

- First, it enables registered entities to be supported proactively so that they keep their files continuously up to date. LBR may therefore alert newly registered entities, and entities with no instance of non-compliance, to an approaching deadline. These preventive measures may take the form of automated reminders by email, provided that the entity concerned has registered such an email address with the RCS, or of a specific message displayed on the LBR portal when the registered entity is preparing a filing or declaration request.

- Second, it enables the detection of files of registered entities that are actually in breach of their filing, registration or declaration obligations. The finding of incorrect or outdated data, failure to register information required by law, or failure to file a deed is the triggering event leading to the progressive application of the enforcement measures prescribed by law.

When automated database monitoring was launched at the beginning of 2026, LBR activated numerous information channels to enable the registered entities concerned to become aware of potential instances of non-compliance identified in their files and to regularise them voluntarily by completing, correcting or updating their files. This first stage, based on communication and assistance efforts, was intended to prepare LBR users for its new mission arising from the aforementioned law of 23 January 2025 and to enable them to act before the administrative measures and sanctions were implemented.

After several months devoted to this first phase, LBR will launch the second phase on 21 September 2026, involving the progressive implementation of those measures.

Non-profit associations (ASBL) and foundations will, however, not be concerned by the launch of the enforcement phase, as awareness-raising and information measures are still ongoing.

2. Enforcement phase of the compliance procedure

2.1 Triggering event

Where LBR identifies one or more instances of non-compliance in the file of a registered entity, namely that information is missing, outdated or incorrect, or that a deed required by law has not been filed, it sends the person or entity concerned a request to update its file by registered letter. The latter has 30 days from the date on which the request is sent to bring its file into compliance.

(Art. 19-6(2) and (3) of the RCS Law and Art. 9(2) and (3) of the RBE Law)

The request to update the file:

- lists all instances of non-compliance identified by LBR on the basis of automated data monitoring;
- reiterates the 30-day period within which the file must be brought fully into compliance before the administrative measures and sanctions apply;
- provides information on the various administrative measures and sanctions to which the registered entity is exposed if it does not update its file as soon as possible;
- sets out the remedies available to a registered entity wishing to challenge LBR's decision.

LBR points out that the request to update the file is sent to the address of the registered office registered with the RCS and that it is essential that entities can actually be reached at that address. If the registered letter cannot be delivered, irrespective of the reason, this neither interrupts the proceeding nor suspends the resulting time limits. On the contrary, the absence of an actual registered office constitutes a further instance of non-compliance that the registered entity concerned must regularise.

If the registered entity does not bring its file into compliance within 30 days from the date on which the letter is sent, the administrative measures and sanctions listed in the RCS Law and the RBE Law apply.

2.2 Different administrative measures and sanctions

Where the registered entity has not responded to the verification request or does not bring its file into compliance, LBR progressively applies various administrative measures and sanctions in accordance with the following time limits:

- Upon expiry of 30 days from the date on which the request to update the file is sent, if all identified instances of non-compliance have not been regularised: display of a warning on the LBR portal.
  This warning is visible to third parties when they consult the file of the registered entity concerned. It states that the file is not up to date and that a verification proceeding is under way.
- Upon expiry of 2 months from the date on which the request to update the file is sent: indication of the identified instances of non-compliance that have not yet been regularised on the RCS and RBE extracts issued by LBR in respect of the registered entity.
  All such instances of non-compliance are also visible to third parties on the LBR portal when they consult the file of the registered entity concerned.
- Upon expiry of 7 months from the date on which the request to update the file is sent, if all identified instances of non-compliance still have not been regularised: imposition of a daily penalty payment of €40.00.

This penalty payment accrues until the file has been brought fully into compliance, up to a maximum amount of €3,600.00 (i.e. for a maximum period of 90 days).
When LBR imposes the penalty payment, it notifies the registered entity concerned of its decision by registered letter. Once the file has been brought into compliance or the 90-day period has expired, LBR determines the final amount of the penalty payment due and notifies the registered entity concerned thereof by registered letter, which constitutes an enforceable instrument.
In the event of non-payment, compulsory recovery of the penalty payment is carried out by a bailiff.

- Upon expiry of 12 months from the date on which the request to update the file is sent, if all identified instances of non-compliance still have not been regularised: deletion ex officio of the file of the registered entity concerned held with the RCS and the RBE.
  This deletion is an administrative measure that does not result in the dissolution of the registered entity and is reversible. It therefore does not prevent the entity from subsequently bringing its file into compliance by taking the necessary steps.

- Following the deletion ex officio of the file of the registered entity concerned: referral of the file to the State Prosecutor.

(Art. 19-6(3), (4) and (6) of the RCS Law and Art. 9(3), (4) and (6) of the RBE Law)

After each measure is applied, LBR sends the registered entity a letter informing it of the instances of non-compliance that remain, the time left to regularise them, the next measures that may be applied, and the available remedies.

If the file is brought fully into compliance during the proceeding, the proceeding ends immediately and the measures already applied are lifted, with the exception of the penalty payment, which remains payable.

(Art. 19-6(5) of the RCS Law and Art. 9(5) of the RBE Law)

In the event of partial compliance, the proceeding continues until the file has been brought fully into compliance. Any new instance of non-compliance identified during the proceeding is added to the ongoing proceeding.

2.3 Remedies

Administrative decisions taken by LBR in connection with the compliance procedure may be challenged before the Administrative Tribunal within three months.

(Art. 21(5) of the RCS Law and Art. 7(5) of the RBE Law)

For LUXEMBOURG BUSINESS REGISTERS

(signed) Yves Gonner
Director