

About french taxes

Taxation of British subjects living in France

Who must fill in a tax return in France?

All British subjects whose main home is in France .

Are considered as having their financial home in France those people whose home is in France or who live in France for the major part of the year, and those who are in employment or have a trade or business in France (Articles n°4 a et b from the General Code of Taxes)

What are the main taxable incomes in France?

- Those pensions which are considered as private pensions
- The salaries and wages collected in France
- Income from personal assets is taxable in France since it is taxable in the country of residence. It may produce a tax credit refundable on dividends.
- *Special case:*

The "Old Age PAYE" which is paid in UK to women over 60 and men over 65 is taxable in France since it is considered as a private pension. Pensioners may get back the amount of the tax deducted at source in UK, if and when it was deducted.

What are the taxable incomes in the country of origin?

- Income from property is taxable in the country where the property is situated.
- Pensions and remunerations paid by the State or Public Authorities.
- Salaries and wages paid by private companies or firms for a job outside France.

What are the modes of taxation in France?

- If the people only have taxable incomes in France , the taxation is established according to the French system for the fiscal home.
- If the people have taxable incomes in France and/or in Britain, the taxation is fixed according to the real rate system which, for the French system of taxation, allows for income received in either country by the fiscal household.
- All incomes liable for taxation in France are subject to the CRDS which is some sort of social contribution that all taxpayers pay in France.

What tax returns forms should be filled in?

- if the taxpayer only has an income taxable in France, he/she should fill in a form N°2042 on which he'll write out the amount of all his/her types of income
- if the taxpayer has sources of income taxable in France or in Britain, he/she must fill in two different forms:
 - 1. form 2047, on which he will write out all his types of income wherever they come from, in order to establish the real rate of taxation.
 - 2. form 2042, on which he will copy the amounts entered on form 2047 for the assessment of the French tax.