

CSG AND NON-RESIDENT FALLING WITHIN A SOCIAL SECURITY SCHEME OF A THIRD STATE TO THE EUROPEAN UNION, NEWS!

For any questions :

ROCHE & Cie

40, Rue du Président Herriot

69 001 LYON

☎ : +33 4 78 27 43 06

@ : braultmuriel@cabinet-

roche.com

Following the "de Ruyter" ruling issued by the Court of Justice of the European Union (CJEU) in 2015, the tax authorities agreed to return to the taxpayers who were subject to a foreign social security scheme the social contributions paid on their wealth income.

The tax authorities still refuse this refund if the taxpayers concerned are affiliated to a social security scheme in a country which is not part of the European Economic Area, such as the United States or Monaco.

On 25 January 2017, the Conseil d'Etat referred the matter to the Court of Justice for a preliminary ruling and the Constitutional Council for a preliminary question of constitutionality.

The Constitutional Council has just delivered its decision and states that there is no need to examine the priority question of constitutionality and that the difference in treatment between persons covered by a social security system in a third country and the others were in conformity with the constitution.

It remains therefore for residents subject to a social security system from a third country to await the decision of the European Court of Justice on the question referred for a preliminary ruling.



FAMILY LOANS: WHAT ARE THE RULES?

From the moment you have all your mental abilities, a loan to another individual is possible under all conditions except usury rate. This rate, updated annually according to inflation, is 19.96% for less than 3000 euros, 13.25% for up to 6000, and 6.65% beyond.

It is therefore quite legal to grant an interest-free loan with a repayment at maturity.

In theory, the loan must be reported to the Public Treasury. But since it does not give rise to any taxation or reorganization, many loans between individuals are never declared. Nevertheless, if the administration discovers it, it will suspect a disguised donation if no declaration has been made.

Donation whose beneficiaries would have tried not to pay taxes. In the absence of family ties, the latter amount to 60%; In the case of direct donations, they start at over 100 000 EUR every fifteen years and range from 5% to 45% depending on the amount of the surplus.

Be careful with "false loans" in a recent decision, the age of the praetor was examined to prove the fictional character of the operation.

An elderly person lent large sums of money to his son (about 6,000,000 euros). In the case of loans, the latter deducted them from the taxable assets of its wealth tax. The administration notified him of a recovery, considering that it was not a loan but a disguised donation.

The Court of Cassation ruled on 8 February 2017 that, given the relationship between the parties, the age of the lender (99 years at the end of the first loan), the number of loans and the absence of any Reimbursement, the intention to give was demonstrated. Consequently, the acts at issue constituted donations and not loans. A tax adjustment of its ISF and also on the rights of donation evaded is therefore to be envisaged

THE NEW OBLIGATIONS OF REALTORS IN FRANCE

The decree of the 10 January 2017 on the information of consumers by professionals involved in a real estate transaction was published in the official gazette of 18 January. This decree makes it more difficult to display real estate advertisements relating to non-seasonal sale, leasing or subletting. It will be applicable on 1 April 2017 to any professional who, in any capacity whatsoever, intervenes to connect acquirers or tenants and sellers or lessors of real estate.



Among the main changes made by this text:

- 1 - The price schedule for services offered by a real estate professional will henceforth also be published on its website (and any dematerialized support);
- 2 - Sales announcements will systematically specify the selling price of the property and to which is the payment of the professional's fees (expressed both fees included and excluded, and in a font of different size);
- 3 - The rental announcements will notify the future tenants of the amount of the "all inclusive" monthly rent, the terms and conditions for the rental charges, the area and the commune of the property in order to enable them to verify compliance with the ceiling of the Rental created by the Alur law.