



Good to know...

A simplification of retirement savings ahead?

The French Finance Minister, Bruno Le Maire, recently announced the different avenues he wants to explore to revitalise retirement savings in France. He wants to give more freedom to savers, saying: "everyone will be free to enjoy the benefits of their voluntary savings, including bonus payments and profits, in the form of either capital or annuity". In other words, individuals will have the ability to take out their retirement savings all in one go, whereas such products generally provide for a payment in the form of an annuity, i.e. a regular income guaranteed until the death of the saver. Mr Le Maire also wishes to broaden tax incentives for this type of scheme, especially in the case of annuity payments.

Timetable

03/05/2018:

Annual VAT declaration CA12

"SCI" declaration 2072 (unless declared online → extended to 15 May).

15/05/2018:

3% annual tax on the market value of properties held in France – declaration 2746

For companies and other legal entities holding properties directly or indirectly in France (exemption only for legal entities filing declarations 2038 and 2072).

For accounts closed 31/12/2017: payment of balance of corporate tax.

18/05/2018:

"BNC-BIC": declaration of results for 2017

"CVAE" declaration 1330: compulsory declaration for businesses with a turnover > € 152,000 (taxable only if turnover > € 500,000).

"DECLOYER" declaration: declaration of commercial and professional rents paid by businesses.

An extended deadline for these three declarations is allowed on an exceptional basis by the tax authorities in the case of online declarations.

Social security declaration for independent professionals ("DSI"):

The deadline is 18 May 2018 for paper declarations and 8 June 2018 for declarations made via net-entreprises.fr.

31/05/2018:

Deadline to join an approved management centre (or "AGA").

Reminders

Obligations between professionals:

To combat money laundering, it is strictly prohibited for **any professional, or any individual resident in France for tax purposes, to settle a debt of more than € 1,000 in cash. This threshold rises to € 15,000 if the debtor proves that his tax residence is not in France** and that the debt is not due in a professional context.

Exceptions: payment of salaries of less than €1,500 per month. In real estate, cash payments are allowed up to € 10,000 (by a private individual).

In the event of a breach of this prohibition, the debtor who made the payment in cash is liable for a fine of up to 5% of the sums paid. The debtor and the creditor are jointly liable for payment of this fine.

The issuing of an invoice between professionals is COMPULSORY for any supply of services or sale of goods.

For services or sales to individuals, invoices are compulsory if the amount exceeds € 25 (including tax).

Any breach of the invoicing obligation between professionals is punishable by a fine of € 75,000, which may be increased to 50% of the amount billed, or which should have been billed, and a tax adjustment (of 50% of the amount of the transaction).

Employers paying employees' fines: beware of the consequences!

A fine is a penalty imposed on someone who breaches criminal law (e.g. for speeding, parking offences, etc.). Therefore, it cannot be considered as a professional expense; it can only be attributed to the person who committed the offence.

Consequently, where an employer takes responsibility for paying fines imposed on its employees, **this constitutes a benefit which is subject to social security contributions.**

Separation of ownership in shares: case law on the allocation of losses

Where shares in a company not subject to corporate tax (SCI, family LLC, SNC, etc.) are subject to separation of ownership, the usufructuary **may not deduct losses generated by the company's activities**, unless otherwise agreed in the statutes. [Do not hesitate to contact us for further information.](#)

