

Juillet  
July  
2019

R&C

Note d'information  
Newsletter

IN  
THIS  
EDITION

**1**

Duty-free sales to  
tourists

**2**

French Tax  
Agenda

**3**

Evolution of maternity  
leave for self-employed  
women

# THE AGENDA

## Companies that closed their financial year on 31/03:

Payment of the corporate tax

## Employers subject to payroll tax (companies exempt from VAT):

Payment of the taxes on salaries paid in June or during the 2nd quarter.

Mon	Tue	Wed	Thu	Fri	Sat	Sun
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## VAT-registered persons carrying out intra-Community transactions:

Submission to customs of the declaration of trade in goods and the European declaration of services for operations carried out in June.



## The French government is downgrading its public deficit forecasts

According to the preparatory report for the public finance policy debate (DOFP), the public deficit forecasts are maintained at -3.1% for 2019 but have deteriorated by 0.1 point for 2020, 2021 and 2022, to -2.1%, -1.7% and -1.3% respectively.

At the same time, the government believes that the «yellow vest» movement and purchasing power measures should be rather beneficial for growth and has therefore chosen to maintain its growth forecasts of 1.4% for the coming years.

## Evolution of maternity leave for self-employed women

Maternity leave for self-employed women will change in 2019 and the duration of compensation is now aligned with that of female employees.

### The changes:

Previously, the total compensated rest period did not exceed 74 days or 10 weeks (single child birth). Since 1 January, the maximum duration of maternity leave has been 112 days, i.e. 6 weeks before and 10 weeks after childbirth.

### How to benefit from it?

To receive these benefits, the TNS must provide proof of a minimum of 10 months' affiliation to the Social Security of the Self-employed on the presumed date of delivery. During this period, self-employed women, self-employed women managers and self-employed women receive a daily rest allowance provided that they cease all professional activities for a period of at least 8 weeks (56 consecutive days).

### What is the daily allowance?

The benefit is calculated by taking into account the average annual income over the last three years. It amounts to a maximum of €55.51 in 2019.



# FOCUS

## DUTY-FREE SALES TO TOURISTS

**Tourists passing through France may - under certain conditions, and for the purchase of certain products - benefit from an exemption from VAT payment. For traders located in areas frequented by foreign tourists, this can be a real selling point.**

### Which buyers can benefit from it?

The tax refund can be granted to the buyer:

- habitually residing outside the European Union on the date of purchase, regardless of nationality;
- at least 16 years of age;
- and passing through France for less than 6 months.

The buyer must be able to prove these conditions (identity card, tourist visa, residence permit, etc.).

### Which products are subject to the tax exemption?

These are retail, tourist and non-commercial goods. Items purchased for consumption in France cannot benefit from it. Similarly, services, tobacco, weapons and ammunition, cultural goods and petroleum products are excluded.

Purchases must be made on the same day, in the same store. The amount of purchases, all taxes included (including VAT), must be more than 175 €.

### What is the procedure?

The merchant can either make the sale «tax-free» or «all taxes included», in the latter case the buyer will be able to obtain a refund of VAT from the customs services at the airport on his departure.

The merchant must give the buyer a «Pablo» slip that he publishes via the application of the same name. For more information: <http://www.douane.gouv.fr/articles/a12028-professionnels-teleprocedure-pablo-i>

### Tax audits: beware of social networks!

Since the beginning of 2019, tax services have been using «datamining» tools to investigate fraudulent taxpayers and cross-check information from various sources. From now on, controllers have a wider field of investigation since they have the possibility to use the information published on social networks such as Facebook, Twitter, LinkedIn.... The objective announced by Gérald Darmanin in November 2018 is to identify taxpayers with a standard of living that is not in line with the level of declared income....



## OTHER NEWS

*French income tax return 2019*

*Dates and obligations*

Income tax in France : tax reductions  
and credits

**VIDEO**

Non-residents – Purchasing through an SCI in  
France: what are the tax consequences and  
the pitfalls?

Must you declare all your bank accounts held  
abroad?

ROCHE  
VIDEOS

**GUIDE TO RENT YOUR  
APARTMENT LEGALLY  
IN FRANCE**



Cabinet Roche & Cie,  
40 Rue du Président Edouard Herriot  
69001, Lyon