



Good to Know...

Showdown between Airbnb and the Paris City Hall

Accused of unfair competition by hoteliers, the tourist rental platform Airbnb proposed to limit "automatically" the rental of a main residence to 120 nights a year in Paris. The Alur law, passed in 2014, already stipulates that an individual can't rent his / her main residence beyond this period. The site presents this initiative as an "alternative" to the registration desired by the city of Paris. "There is no question for us to abandon the establishment of the registration number," said Ian Brossat, the PCF deputy to the Socialist mayor of Paris, Anne Hidalgo, Ian Brossat.

Agenda

01/03/2017

Tax on offices of more than 100 m² in Ile de France

Companies with more than 20 employees must draw up the annual declaration of employment of disabled workers.

11/03/2017

VAT liable for intra-Community transactions: Filing with the Customs of the Declaration of Exchange of Goods and the European Declaration of Services for transactions in February.

15/03/2017

First installment of the corporate tax for first term 2016.

Employers subject to the Wage Tax (VAT exempt enterprises):

Payment of the tax on wages paid in January.

News

Remote tax inspections

The Finance Law for 2017 created a new procedure for the auditing of company accounts.

From now on, auditors will be able to examine accounts without physical movement. Upon receipt of the Notice of Review, the Company will have 15 days to forward the Accounting Record (Ficher d'Ecriture Comptable, FEC) to the appropriate department. In the event of non-transmission of the FEC, the Fiscal Administration may decide to initiate an on-site audit and the company may be fined € 5,000.

The audit should be carried out over a maximum period of 6 months. This period runs from the date of receipt of the FEC by the Fiscal Administration.

FOCUS ON THE WHT TAX REGIME

2nd Part

Year 2017 = blank year ?

The 2017 Finance Act introducing the withholding tax provided for a transition mechanism for 2018. If some people hoped to have a "blank" fiscal year for 2017, they would be disappointed.

In reality, 2017 revenues will remain taxed but will be offset by a tax credit, the CIMR "Tax Credit for Modernization of Collections". Thus, exceptional income but also abnormal increases in current income will not be neutralized by the CIMR and will therefore be taxed.

Among the exceptional income not neutralized by the CIMR and therefore taxed for 2017, are the indemnities for termination of employment, dividends, capital gains, etc.

Land revenues: the complex deduction of construction expenses

The finance law stipulates that the 2017 land revenue will be calculated by deducting all the "non-urgent" works paid in 2017 and the income 2018 by deducting the average of the "non-urgent" works 2017-2018 (repair and maintenance work, Improvement expenses other than construction, reconstruction or expansion). Thus work paid in 2017 will be counted "twice" (first in 2017 and for average in 2018), on the contrary, work paid in 2018 will only be deducted in part from their amount.

So-called urgent works are not affected by the rules set out above. They will simply be deducted for 100% of their amount over the tax year (2017 or 2018).

The property losses recorded in 2017 will be charged up to 10,700 € on the total income, the surplus will be carried over to the following fiscal years.

Withholding of Income Industrial and Commercial Benefits, Non-Commercial Benefits, and Agricultural Benefits

Calculation of the CIMR 2017

In order to avoid any optimization of revenue in 2017, the Tax Credit for Modernization of Recovery relating to these categories of income will take into account the activity levels of the last 5 years (2014 to 2018).

Creation of activity

The Fiscal Administration can not calculate a down payment because there is not yet a reference income. Consequently, the payment of the balance will be settled in September of the following year.

