

France - Information on residency for tax purposes

Section I – Criteria for Individuals to be considered a tax resident

According to the domestic French legislation, the criteria for individuals to be considered a tax resident in France are the following:

Tax residency of individuals is determined by [Article 4 A of the French General Tax Code \(CGI\)](#). Individuals domiciled in France are tax resident in France.

Under [Article 4 B of the CGI](#), regardless of their nationality, individuals are deemed to be domiciled in France for tax purposes if :

- their home is in France;
- their main place of abode is in France;
- they carry on a professional activity in France, salaried or not, unless they can prove that it is a secondary activity;
- they have the centre of their economic interests in France.

State employees who perform their duties or are on assignment in a foreign country and are not liable to income tax on their overall income in that country are also deemed to be domiciled in France for tax purposes.

Further guidance on these provisions are available on the following link: bofip.impots.gouv.fr/bofip/1911-PGP

France means the European department (including Corsica) and overseas department (Guadeloupe, French Guyana, Martinique, Island of Réunion and Mayotte) of the French Republic.

In addition, the French Tax Treaties are available on the following link:

http://www.impots.gouv.fr/portal/dgi/public/documentation.impot?espId=-1&pageId=docu_international&sfid=440

http://www.legifrance.gouv.fr/affichCodeArticle.do?sessionId=985EC0837912FE59C9968FDB26609DD9.tpdila16v_1?idArticle=LEGIARTI000006302201&cidTexte=LEGITEXT000006069577&dateTexte=20150420&categorieLien=id&oldAction=rechCodeArticle&nbResultRech=1

Section II – Criteria for Entities to be considered a tax resident

According to the domestic French legislation, the criteria for entities and permanent establishment to be considered a tax resident are the following:

- 1) ~~an~~-An entity will be resident in France for tax purpose where the entity is operated in France, whatever its nationality ([Article 209 \(I\) of the CGI](#)).

The term "operated in France" means an entity which carries on a regular business in France, whether in an autonomous establishment or, if there is no establishment, through representatives without

independent professional status, or as part of operations forming a complete business cycle.

Therefore, a permanent establishment (including a branch) in France is always tax resident in France.

Further guidance are available on the following link: [BOI-IS-CHAMP-60-20120912](#).

2) Under [Articles 8](#) and [Article 218 bis of the CGI](#), French partnerships (« sociétés de personnes ») are “translucent” (« translucide ») and not transparent for tax purpose. This means that a French partnership has a fiscal personality, fills a tax return even if the tax is effectively paid by their partners. According to the domestic French legislation, French partnerships are always tax resident in France.

French partnerships are listed on the following link: [BOI-BIC-CHAMP-70-20-10-10-20120912](#).

The above-mentioned rules apply also to the French “fiducies” which are also tax resident in France.

Further guidance are available on the following links: [BOI-BIC-CHAMP-70-20-10-20120912](#), [BOI-BIC-BASE-10-20-20130311](#) and [BOI-BIC-CHAMP-20-10-40-20120912](#)

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http://www.impots.gouv.fr/portal/dgi/public/documentation.impot?espId=-1&pageId=docu_international&sfid=440

Section III – Entity types that are as a rule not considered tax residents

1) Only the French real estate co-ownership partnership (“société immobilière de co-propriété”) based on [Article 1655 ter of the CGI](#) is tax transparent in France and disregarded for tax purpose. The partners are deemed to directly carry out the activity.

2) However, for the purpose of reporting under the terms of the Common Reporting Standard, entities such as foreign partnerships or legal arrangements (trusts, foundations, etc.), which are not treated as a taxable unit under the tax law of their jurisdiction, will be considered as tax resident in France if their place of effective management is in France pursuant to the Commentary of the CRS (Section VIII-§108).

Section IV – Contact point for further information

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