



Income Tax Forms

by Isabelle Want

Oh no! Time to fill in your income tax form again. It's all in French and there are lots of boxes to fill in on lots of pages!

Well, worry not - I will try to make it simple (my boss Thierry is laughing....simple....income tax....bonne chance!!). I will only cover the most common revenues so for more technical information, contact me directly.

It would be advantageous for you to have last month's DSM to hand for the areas I have not covered again here (it's also available online at www.thedeuxsevresmonthly.fr).

1. Who and When?

Refer to last month's article to find out who has to fill in French Income Tax Forms and what dates the tax return relates to.

You can start filling the forms online (NOT if it is your first time) from the 13th April and until 24th May (Charente, Charente Maritime) or until 7th June (Vienne, Haute Vienne and Deux-Sèvres). You will start receiving the paper forms from 13th April and you have until 18th May to hand it in or send it by post.

The result (the bill!) is called Avis d'imposition and is sent to you from mid-August. You have until 15th September 2016 to pay it.

Note that if you have to pay more than 342€ of income tax and have not chosen the monthly payment, then the tax office will ask you to pay next year's income tax partly in advance (acomptes provisionnels).

2. What Forms and How do you Fill them In?

The 2042 is the blue form that everybody has to fill in and it is on this form that you report what you have filled in on other forms. But there are different versions of the 2042:

2042SK: Is the simplest version usually used by employed people.

2042K: Is the one that most of you should use as you can report revenue from abroad (you can't on 2042SK). Check or fill in the information on page 1. On page 2, check or fill in the information asked for as this may give you allowances or discount (invalidity, number of children living with you, etc).

Check or fill in page 4 (for tax reduction) and section 7 if you have children who go to school. If you give to charity, you also get a tax discount.

2042C: If you are self-employed in France, this is where you fill in your professional revenue. This is also the form you use if you have to pay the wealth tax (worldwide assets worth more than 1.3 million €). It's complicated so contact me.

This is also the form used to declare revenues from Gites or chambre d'hôtes.

2042QE: This is the form to fill in to claim taxes back when you have had work carried out on your property, by a registered tradesman, that is related to energy saving e.g. Insulation, solar panels, etc.

2047: This is the purple form (used to be pink) on which you enter your revenue from abroad:

Enter your pension revenues (even those that are taxed in the UK) on page 1, section 1 in the box called 'Pensions, retraites, rentes' and the annuities on the box called 'rente viagères à titre onéreux'. You then have to report pensions to the pension section on the 2042 (page 3, section 1). Annuities are taxed differently in France so you have to enter the amount in the age bracket when you first started drawing it out.

In section 2 on page 2 is where you put the interest you earned on savings in the UK. And yes, ISAs and Premium bonds are taxable in France as you are French resident. Fill in the bottom of page 2 in the box 220 "interest". Enter the country of origin, then you write the amount on line 222, then again on line 228 and 230.

Then you report the amount in line 2TR, page 3, section 2 of the 2042.

In section 4, you enter the revenues from house rental abroad. Then report on section 6 to get the tax credit (because it is taxed in the UK) and report on line 4BE, section 4 of the 2042.

In section 6, you put the revenue from government pension (military, police, NHS, civil servant, etc) and rental income from property in the UK (those will always be taxed in the UK whether you are French resident or not). Then you report the amount in line 8TK, page 4, section 8 of the 2042.

3916: You have a bank account outside France, then you have to declare it on that form (section 1 and 4). One form per account. Don't forget to date and sign the forms.

The exchange rate for 2015 is 1.37 (that is the average of last year)

If your pension has been directly transferred to your French bank account, just add up all the figures of last year. Or you can look up what the exchange rate was on the day you got paid your pension into your UK account.

3. Social Charges

If you are of retirement age from within the European Union and in receipt of the S1, the social charges are not applied to your pension income. Investment income was not exempt in the past but I do know that some of you were successful in claiming this back. As such, it's a grey area for me and I have no answers on whether or not you'll be taxed on it. Note that annuities are seen as investment income, so it is a calculation to make whether you should declare annuities as annuities (and get an income tax discount) or as a pension income (and not pay social charges if it is taken).

You do not pay social charges on rental income from the UK.

4. Help

If you are one of my customers, you are entitled to free help in our offices:

- Ruffec on Tuesday the 10h May (2-5pm)
- La Rochefoucauld on Thursday the 12th May (2-5pm)

If you can't make either of those, phone us to make an appointment.

If you are not one of my customers (perhaps you should be), I will be offering free help at The Lemon Tree in Sauzé Vaussais on Wednesday the 11th May from 10am to 12pm.

Make sure you have all the figures ready when you come to see me. I apologise in advance if I am a little grumpy - you would be too if you had an entire month filling in tax forms!

I will also be present at the CLE seminar in Confolens on the 4th May (10am), check their website for details: www.cle.com

Don't hesitate either to contact me for any other subjects such as funeral cover, inheritance law, car, house, professional and top up health insurance. And check out our website www.bh-assurances.fr for my previous articles on the 'Practical Pages' of the English site.

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