

France

This guide is for e-commerce companies that sell online via web stores or at marketplaces.

VAT Standard rate

The standard VAT rate in France in 2023 is 20%.

VAT Reduced rate

10%

- Certain products and services are eligible for the special reduced rate, including food, pharmaceutical products, hotel accommodation, and pay/cable TV.

5.5%

- Certain products and services are eligible for the special reduced rate, including books, non-alcoholic beverages, admission to sports events

2.1%

- Certain products and services are eligible for a special reduced rate, including newspapers and periodicals, television license fees, and admission to cultural events.

The rate of 2.1% does not apply to the main territory of the country. This is the rate of the DOM (French Special Territories).

See the summary of the [EU VAT rates](#).

Thresholds

From the 1st of July 2021, the distance selling thresholds were withdrawn and replaced by a unified threshold of EUR 10,000 for all EU members.

In other words, VAT should be charged at the VAT rate of the customer's country of residence by companies whose annual taxable cross-border turnover is over EUR 10,000.

Deductible VAT

If goods or services were used to make taxable supplies in France, VAT in input invoices might be credited. Examples include:

- VAT paid at custom clearance with your EORI number;
- VAT paid to French suppliers.

Registration procedure

When a company has the obligation to register, the owners will be required to complete and submit a VAT registration form, along with supporting documentation:

- Certificate of incorporation (along with the translation into French);
- Trade register extract (along with the translation into French);
- Articles of Associations (along with the translation into French of the main provisions);

If the company is appointing a local tax agent or Fiscal Representative, then a Letter of Authority or Power of Attorney is.

Tax representative

Taxable companies established outside the European Union are obliged to appoint fiscal representatives in order to handle all formalities related to VAT registration and filling except for the following countries:

- Australia;
- Azerbaijan;
- Georgia;
- India;
- Iceland;
- Mexico;
- Moldova;
- Norway;
- South Korea;
- St. Bartholomew;
- South Africa;
- Aruba;
- Curacao;
- Ghana;

- Greenland;
- Faroe Islands;
- Mauritius;
- Japan;
- New Zealand;
- French Polynesia;
- Saint Martin;
- Sint Marteen;
- Tunisia;
- Ukraine.

Keeping records

Records must be kept by the taxable person or by the keeper of its accounts.

If goods or services were used to make taxable supplies in France, VAT in input invoices might be credited. Examples include:

- Although the legal obligation stipulates preserving invoices for 6 years, it is common practice for the issuer and recipient to keep the original documents for at least 10 years due to the different interpretations that may be drawn from the specifications set forth in the different French codes.

Sales list

The European sales list must be submitted monthly before the 10th business day of the month following the reporting month. There are no other reporting periods in France.

VAT payment date

Periodical VAT payments are due on a monthly or a quarterly basis. The VAT due must be paid before the 19th day of the month following the period.

Filing VAT returns

A taxpayer must transmit VAT returns to the Service des impôts des entreprises étrangères (SIEE) by electronic means. The Lovat platform supports [digital submission](#).

The tax period is one month or one quarter. VAT returns must be filed by electronic means before the 19th of the month following the relevant period.

Filing annual VAT returns is not applicable.

Companies can also keep track of deadlines at the [Lovat portal](#).



www.vatcompliance.co