

# **GLOSSARY**

<b>Assessment</b> ( <i>liquidation</i> )	Computation of tax by applying a rate or scale to the assessment basis.
<b>Assessment basis</b> ( <i>assiette</i> )	<ul style="list-style-type: none"> <li>- The rules or operations used to determine the components (profit. Turnover. Etc.) to be subjected to tax.</li> <li>- The component used to compute tax.</li> </ul>
<b>Assessment list</b> ( <i>rôle</i> )	List of taxpayers indicating the amount of tax they have to pay.
<b>Bond</b> ( <i>obligation</i> )	Interest-bearing transferable security issued by a company or public authority in return for a loan.
<b>Budget</b> ( <i>Budget</i> )	<p>All laws providing for and authorising the State's annual revenue and expenditure.</p> <p>All accounts recording all the State's resources and expenses for a calendar year.</p> <ul style="list-style-type: none"> <li>- All accounts recording all appropriations of a ministry for a calendar year.</li> </ul>
<b>Collection</b> ( <i>recouvrement</i> )	Collection is the process by which the Treasury enters into possession of a debt-claim at a given date.
<b>Corporate body</b> ( <i>personne morale</i> )	A body of persons having independent legal capacity (i.e. legal entity)
<b>Deed under private seal</b> ( <i>acte sous seing privé</i> )	Private written deed bearing the written signatures of the parties.
<b>Deduction</b> ( <i>déduction</i> )	Amount subtracted from gross profit or income.
<b>Dividend tax credit</b> ( <i>avoir fiscal</i> )	<p>Fraction of corporation tax already paid by a company on dividends paid to its shareholders.</p> <p>The dividend tax credit is equal to 50 % of net dividend distributed to individuals and companies eligible to parent / company regime, 15 % in all other cases. It is added to the shareholder's taxable income and its amount is deducted from the tax chargeable to the shareholder in order to avoid economic double taxation borne by distributed corporate profit.</p> <p>Only residents of France are entitled to dividend tax credit., unless provided otherwise by international conventions.</p>

<b>Domicile for tax purposes</b> <i>(domicile fiscal)</i>	<p>A person is deemed to have his or her domicile for tax purposes in France where he or she is in at least one of the following four situations :</p> <ul style="list-style-type: none"> <li>. His or her home is in France ;</li> <li>. His or her main abode is in France ;</li> <li>. He or she carries on a professional activity in France which is not incidental ;</li> <li>. His or her centre of economic interest is in France.</li> </ul> <p>The following persons are also deemed to have their domicile for tax purposes in France : State civil servants on duty or assignment in a foreign country and not subjected therein to personal taxation on their total income.</p>
<b>Exemption</b>	
1. <i>(exonération)</i>	
	Release from obligation of tax under certain conditions determined by law.
2 <i>(franchise)</i>	
	Technique consisting in not collecting tax when the theoretically due amount or turnover does not reach a minimum figure.
<b>Furniture</b> <i>(meubles meublants)</i>	Objects used to decorate and furnish a flat or house.
<b>Income splitting system</b> <i>(quotient familial)</i>	System to make income tax proportional to the number of persons forming the tax household. It consists in dividing the taxable income of the tax household concerned by the number of « shares » or « parts » ; such number depends on the situation of each taxpayer and the number of persons deemed to be his or her dependants for tax purposes.
<b>Main home</b> <i>(résidence principale)</i>	Home where the taxpayer usually lives.
<b>Notice of non-taxation or taxation not collected</b> <i>(avis de non imposition ou d'imposition non mise en recouvrement)</i>	Document sent to the taxpayer who has filed a tax return and has no income tax to pay.
<b>Payability</b> <i>(exigibilité)</i>	Right which the public Treasury may assert. From a given moment. To obtain payment of tax from its payer.
<b>Person liable</b> <i>(redevable)</i>	A person liable to tax is responsible for its payment.
<b>Property</b> <i>(patrimoine)</i>	All assets belonging to an individual or a body corporate.

<b>Reduction</b> ( <i>réduction</i> )	Tax cut.
<b>Rental value</b> ( <i>valeur locative</i> )	Rent which a real property would produce if it were rented out. A difference is made between land registry rental value, determined by the authorities either on completion of the premises or on periodic updates, and actual rental value which corresponds to the market price.
<b>Share/stock</b> ( <i>action</i> )	Transferable security issued by a joint stock company, representing any of the equal portions into which the capital of the company is divided.
<b>Scope</b> ( <i>champ d'application</i> )	All assets, activities, situations or transactions covered by a tax provision and the limits of effect of this provision in space and time.
<b>Statute of limitations</b> ( <i>prescription</i> )	Time limit beyond which no legal action may be taken.
<b>Subjected person</b> ( <i>assujetti</i> )	Person subjected to tax (e.g. VAT).
<b>Tax credit</b> ( <i>crédit d'impôt</i> )	Debt-Claim on the Treasury.
<b>Tax household</b> ( <i>foyer fiscal</i> )	The household is the place where the person or persons concerned have their normal abode, i.e. the usual home, provided that this home (in France) is permanent.  The tax household is the basic family entity to which income tax is determined.
<b>Tax notice</b> ( <i>avis d'imposition</i> )	Document containing the assessment basis information needed to compute tax, the amount payable, terms of payability and dates of recovery proceedings (i.e. a tax bill).
<b>Tax relief</b>	Lump sum deducted from the assessment basis.
1 ( <i>abattement</i> )	Reduction of theoretically due tax.
2 ( <i>décote</i> )	
3 ( <i>dégrèvement</i> )	
<b>Taxable</b> ( <i>imposable</i> )	The tax situation of a person or transaction who or which, by his or its activity or nature, falls within the scope of tax.

<b>Taxable event</b> ( <i>fait générateur</i> )	The event by which the legal conditions are achieved for tax payability.
<b>Taxpayer</b> ( <i>contribuable</i> )	Person who directly bears the burden of the taxes and duties the collection of which is authorised by law.

# **APPENDICES**

<b>List of States with which France has signed a convention for the avoidance of double taxation (as on 1 January 2005)</b>
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## Abbreviations:

C	:	Convention
EOL	:	Exchange of letters
G	:	Gifts
IT	:	Income tax
P	:	Protocol
RD	:	Registration duties
SA	:	Special agreement
S	:	Succession duty
WT	:	Wealth tax

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
Algeria	C 17 October 1999	IT-S-WT
Argentina	C 4 April 1979	IT-WT
Armenia	C. 9 December 1997	IT-WT
Australia	C 13 April 1976 P 19 June 1989	IT
Austria	C 26 March 1993 C 26 March 1993	IT-WT S-G
Bahrain	C 10 May 1993	IT-WT-S
Bangladesh	C 9 March 1987	IT
Belgium	C 12 August 1843  C 10 March 1964 P 15 February 1971 P 8 February 1999  C 20 January 1959	Exchange of information  IT  S-RD
Benin	C 27 February 1975	IT-S-RD
Bolivia	C 15 December 1994	IT - WT
Bosnia-Herzegovina	EOL 3 and 4 December 2003	IT
Botswana	C 15 April 1999	IT
Brazil	C 10 September 1971	IT
Bulgaria	C 14 March 1987	IT

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
Burkina-Faso	C and EOL 11 August 1965 P 3 June 1971	IT-S-RD
Cameroon	C 21 October 1976 P 31 March 1994 P 28 October 1999	IT-S-RD
Canada	C 2 May 1975 P 16 January 1987 P 30 November 1995	IT-WT-S-G
<i>Province of Quebec</i>	Tax agreement of 1 September 1987	IT
Central Africa	C 13 December 1969 and EOL 13 and 16 December 1969	IT-S-RD
China	C 30 May 1984	IT
Congo	C 27 November 1987	IT-S-RD
Cyprus	C 18 December 1981	IT-WT
Czech Republic	C 1 June 1973 (Czechoslovakia)	IT-WT
Denmark	C 8 February 1957	IT-WT
Egypt	C 19 June 1980 P 1 May 1999	IT-WT
Ecuador	C 16 March 1989	IT
Estonia	C. 28 October 1997	IT-WT
Finland	C 25 August 1958 C 11 September 1970	S IT-WT
Gabon	C and EOL 21 April 1966 P 23 January 1973 P 2 October 1986 and EOL 18 April and 23 June 1989	IT-S-RD
Germany	C and EOL 21 July 1959 P 9 June 1969 P 28 September 1989 P 20 December 2001	IT-WT
Ghana	C 5 April 1993	IT
Greece	C 21 August 1963	IT

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
Guinea	C 15 February 1999	IT-WT-S-G
Hungary	C 28 April 1980	IT-WT
Iceland	C 29 August 1990	IT
India	C 29 September 1992	IT-WT
Indonesia	C 14 September 1979	IT-WT
Iran	C 7 November 1973	IT
Ireland	C 21 March 1968	IT
Israel	C 31 July 1995	IT-WT
Italy	C and EOL 5 October 1989 and 20 December 2000 C 20 December 1990	IT-WT G-S
Ivory Coast	C and EOL 6 April 1966 P 25 February 1985 P 19 October 1993 SA 16 May and 14 June 1995	IT-S-RD  IT (Public remuneration)
Jamaica	C 9 August 1995	IT
Japan	C 3 March 1995	IT
Jordan	C and EOL 28 May 1984	IT
Kazakhstan	C. 3 February 1998	IT-WT
Korea (Republic of)	C. 19 June 1979 P. 9 April 1991	IT
Kuwait	C 7 February 1982 EOL of 17 August and 18 October 1988 P 27 September 1989 P 27 January 1994	IT-WT-S
Latvia	C. 14 April 1997	IT-WT
Lebanon	C 24 July 1962	IT-S
Lithuania	C. 7 July 1997	IT-WT
Luxembourg	C 1 April 1958 P and EOL 8 September 1970	IT-WT
Macedonia	C 10 February 1999	IT-WT

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
Madagascar	C and EOL 22 July 1983	IT
Malawi	The Franco-British convention of 14 December 1950 remains effective in the relations between France and Malawi EOL 5 November 1963 EOL 31 December 1963	IT
Malaysia	C 24 April 1975 P 31 January 1991	IT
Mali	C and EOL 22 September 1972	IT-S-RD
Malta	C 25 July 1977 P 8 July 1994	IT-WT
Mongolia	C 18 April 1996	IT-WT
Morocco	C and EOL 29 May 1970 P 18 August 1989	IT-S-RD
Mauritania	C and EOL 15 November 1967	IT-S-RD
Mauritius	C 11 December 1980	IT-WT
Mexico	C 7 November 1991	IT
Monaco	C 1 April 1950 C and EOL 18 May 1963 and EOL 9 December 1966 P 25 June 1969 EOL 6 August 1971	S Special tax convention not mainly intended to avoid double taxation
Namibia	C 29 May 1996	IT-WT
Netherlands	C 16 March 1973	IT-WT
New Zealand	C 30 November 1979	IT
Nigeria	C 27 February 1990	IT
Norway	C 19 December 1980 P 14 November 1984 P 7 April 1995 P 16 September 1999	IT-WT
Oman	C and EOL 1 June 1989 P 22 October 1996	IT-S IT-S-WT

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
Ouzbekistan	C 22 April 1996	IT - WT
Pakistan	C 15 June 1994	IT
Panama	EOL 6 April 1995 and 17 July 1995 (this text does not constitute a convention for the avoidance of double taxation)	
Philippines	C 9 January 1976 P 26 June 1995	IT IT-S
Poland	C 20 June 1975	IT-WT
Portugal	C 14 January 1971 SA and EOL 3 June 1994	IT G-S
Qatar	C 4 December 1990 EOL 12 January 1993	IT-WT-S
Romania	C 27 September 1974	IT-WT
Russia	C 26 November 1996	IT-WT
Saudi Arabia	C 18 February 1982 EOL of 20 December 1988 and 22 February 1989 P 2 October 1991 and EOL 16 June 1993 and 31 October 1993 and EOL 3 January 1994 and 3 May 1995, EOL 9 September 1998 and 2 January 1999, EOL 14 April 2003 and 6 July 2003.	IT-WT-S
Senegal	C and EOL 29 March 1974 P 16 July 1984 P 10 January 1991	IT-S-RD
Serbia-Montenegro	P 26 mars 2003	IT (agreement between France and Serbia-Montenegro to maintain effect from the convention between France and Yugoslavia).
Singapore	C 9 September 1974	IT
Slovakia	C 1 June 1973 (Czechoslovakia)	IT-WT

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
South Africa	C 8 November 1993	IT-WT
South Korea	C 19 June 1979 P 9 April 1991	IT
Spain	C 8 January 1963 C 10 October 1995 EOL 19 February 1998	S IT-WT
Sri Lanka	C 17 September 1981	IT
Sweden	C 24 December 1936 P 1 July 1963 C 8 June 1994 C 27 November 1990 and EOL 14 and 18 March 1991	S  S-D IT-WT
Switzerland	C 31 December 1953 C 9 September 1966 P 3 December 1969 P 22 July 1997 SA 30 October 1979 P 22 July 1997	S IT-WT  G-S  G-S-IT-WT
Thailand	C 27 December 1974 EOL 20 August 1999 and 6 March 2000.	IT
Togo	C 24 November 1971 EOL 25 and 26 November 1971	IT-S-RD
Trinity and Tobago	C 5 August 1987	IT
Tunisia	C 28 May 1973	IT-S-RD
Turkey	C 18 February 1987	IT
Ukraine	C 31 January 1997	IT-WT
United Arab Emirates	C and EOL 19 July 1989 P 6 December 1993	IT-WT-S
United Kingdom	C 22 May 1968 P 10 February 1971; P 14 May 1973 P 12 June 1986; P 15 October 1987 C 21 June 1963	IT   S
United States of America	C 24 November 1978 C 31 August 1994 and EOL 19 and 20 December 1994	S-G IT-WT

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
USSR (Former) (CIS)	C 4 October 1985 EOL 14 March 1967	IT Agreement on soviet's patents tax system in France and on french's patents tax system in USSR
Venezuela	C 7 May 1992	IT
Vietnam	C 10 February 1993	IT-WT
Yugoslavia (Former)	C 28 March 1974	IT
Zambia	see Malawi	IT
Zimbabwe	C 15 December 1993	IT-WT

**Special local authorities and French Overseas Territories with which the French Republic has signed a tax convention**

<b>COUNTRY</b>	<b>Date of convention</b>	<b>Taxes concerned</b>
French Polynesia	28 March and 28 May 1957	Tax on income from transferable securities
Mayotte	27 March and 8 June 1970	IT-S-RD
New Caledonia	31 March and 5 May 1983	IT-S-RD-G
Saint-Pierre-et-Miquelon	30 May 1988	IT-S-RD-G

Taxation structure
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**NET REVENUE FROM DRAFT GENERAL STATE BUDGET FOR 2005**

**Tax revenue**

Million Euros

Value-added tax (net amount)	127,227
Income tax	55,029
Corporation tax (net amount)	42,599
Domestic excise on mineral oil products	20,189
Other taxes	26,730
<b>Total net tax revenue</b>	<b>271,774</b>
 <b><u>Non tax revenue</u></b>	
Total net non tax revenue	33,242
<b><u>Total revenue before levies imputation</u></b>	<b>305,016</b>
 <b><u>Levies on State revenue</u></b>	
Levies in appropriation to local authorities	- 45,728
Levies in appropriation to European Communities	- 16,570
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Total levies on State revenue	- 62,298
 <b>TOTAL NET STATE REVENUE</b>	 <b>242,718</b>