

ENGLISH VERSION



FINANCIÈRE ACCRÉDITÉE

A company certified by the French Direction Générale des Impôts (General Tax Authority)
to act as a tax representative
in matters of capital gains realised by

NON - RESIDENTS

41, AVENUE MONTAIGNE 75008 PARIS ■ TEL: +33 (0)1 47 23 82 82 ■ FAX: +33 (0)1 47 20 36 57

3, AVENUE BAQUIS 06000 NICE ■ TEL: +33 (0)4 93 82 32 53 ■ FAX: +33 (0)4 93 82 31 53

www.financiereaccreditee.com ■ contact@financiereaccreditee.com

How to set up your file ?

► **Just gather the following documents:**

Natural persons

- The seller's property title
- Promise of sale or draft sales agreement
- Details/voucher for costs related to the sale, in charge of the seller
- Invoice(s) for work and receipt(s) or other vouchers proving payment
- Tax residence certification for residents of the European Union, Norway, Iceland

Legal persons (additional documentation)

- Vouchers evidencing real acquisition costs and expenses
- Corporate statutes (Articles of Association and By-laws)
- Return covering the annual 3% tax (Art. 990 D of the CGI)

► **and send them to us:**

By post:

PARIS: 41, avenue Montaigne 75008 Paris

NICE: 3, avenue Baquis 06000 Nice

By fax:

+33 (0)1 47 20 36 57

+33 (0)4 93 82 31 53

► **In return, you will receive:**

- **1 tax form** completed, signed and stamped by our office, stating the amount of tax to be paid to the order of the French Treasury Service
- **2 copies of our Tax Representation Agreement** governing the rights and obligations of our Company towards your customer
- **1 invoice** to be settled by withholding from the proceeds of the sale



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Limited Company with capital of €2,500,000 ■ RCS Paris B 394 084 107



Dear Sir, Madam,

You are domiciled outside of France for tax purposes and you are getting ready to sell your property in France.

The French government requires that you appoint a tax representative who will be in charge of calculating the tax due on capital gains on real property and of guaranteeing the payment of such tax.

Our Company was specially certified by the French Ministry of Finance on 14th February 1994 to guarantee sales by non-residents of property in France.

Our guarantee is valid for four years; after that period, your file is closed.

The services of
FINANCIÈRE ACCRÉDITÉE
provide you with the following advantages

- **Certainty:** We can provide an immediate guarantee of €50,000,000.00
- **Peace of mind:** Our team of lawyers sets up your file in cooperation with your Notary, your Legal Advisor or your estate agent.
- **Speed:** Your case can be handled and guaranteed within 48 hours. In certain cases, upon your request we may travel to your location to discuss the issues involved with you.
- **Moderate cost:** Our fees are deductible from the sale price and subject to French VAT (19.60%) only if you reside in a country of the European Union or in Monaco.
- **Funds availability:** As soon as the Deed of Sale is signed, you receive the proceeds of the sale under deduction of our fees and any potential tax due; it is not usually necessary to hold the funds.

PLEASE DO NOT HESITATE TO CONTACT US IN:

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Tax representation for non-residents

(excerpts from the Code Général des Impôts)
(French General Taxation Code)

Art. 244 bis A § 1 (...) natural persons who are **not domiciled in France for tax purposes** within the meaning of Article 4 B, and **legal persons** or organisations, regardless of legal structure, whose registered head office is **located outside of France** are subjected to **withholding of one third** on capital gains resulting from the disposal of real property, property rights or stocks and shares in companies not quoted on a stock exchange whose assets are constituted mainly by such property and/or rights (...)

Notwithstanding the first paragraph, **natural persons** and natural persons who are partners in companies (...) whose profits are taxed in the name of the partners, and who are **residents of a Member State of the European Community** are **subject to a withholding rate of 16%**.

Capital gains subject to withholding are determined according to the procedures defined in articles 150 V to 150VE when such withholding is due by **taxpayers subject to income taxes**. In all other cases, such capital gains are determined as being the **difference between**, on the one hand, **the sale price of the property and**, on the other hand, **its acquisition price reduced, for improved land, by a sum equivalent to 2% of its amount for each whole year of ownership**.

The tax due in application of the present article is to be settled (...) **under the responsibility of a representative (...)**

Art. 244 bis B § 2 (...) the tax (on capital gains on ownership rights disposed of by non-residents) is to be settled in accordance with the conditions set in the 4th paragraph of Section I of Article 244 bis A (...)

Art. 171 quater Appendix II: Persons who are liable to the withholding instituted by Article 244 bis A of the CGI [Code Général des Impôts, (French) General Taxation Code] **must appoint, for interaction with the Board** in charge of collecting the tax, **a representative domiciled in France** who will undertake to fulfil the formalities such persons are subject to and settle such withholding for them and on their behalf, including, if applicable, the fine provided for in article 1770 quinquies of the abovementioned code.

Art. 990 F (...) In the event of sale of a property by a legal person whose registered head office is located outside of France, **the representative** mentioned in Section I of Article 244 bis A (...) **shall be responsible for payment of the annual tax of 3%** provided for in Articles 990 D *et. seq.*