

HR Informations Pratiques

How to declare your income tax

The time has come to declare your income tax. Who must declare? How to declare? What's new in the 2016 income tax? The April newsletter helps you to clarify.

Who must file an income tax declaration?

Every taxable person in the following situations:

- Your home is in France (usual residence or principal place of residence - generally people staying more than 6 months per year)
- Your main occupation is in France
- Your main investments or the headquarters of your business are in France

Non-taxable persons may find it is in their interest to complete an income tax declaration in order to take certain steps:

- A refund of tax credits to which they may eventually claim
- A non-taxation notice request to receive some aid such as housing

How many income tax declarations per household?

Only one declaration per household. The tax household consists of the taxpayer, spouse and dependents. The revenues and expenses of all members of the household are taken into account to establish a single tax. The income tax takes into account marital status (single, married, separated, PACS ...), family responsibilities (dependent children or parents) and certain personal circumstances (disability ...).

Separate declarations must be established in the following cases:

- Common-law marriage (couples who have not established a legal relationship)
- Couples married under a contract of property separation and not living together
- Couples who are legally separated but not divorced, if they have separate income and do not live together

How to report in case of change of marital status?

A single declaration must be filed by the spouses or PACS partners for the year of marriage or conclusion of the PACS. It should include all revenues earned for the entire year.

However, the new spouses or PACS partners can, for the year of the marriage or PACS only, opt for separate taxation of their income. They then file one declaration per person with the income earned for the entire year.

In case of death, two declarations must be established:

- A statement concerning both spouses with income earned from 1 January to the date of death
- Another statement concerning the surviving spouse for income after the death and until 31 December

What income to declare?

Income tax is calculated on the total income available to taxpayers during the year.

Taxable income is:

- Salaries, wages, pensions, annuities and retirement
- Financial investment income
- Capital gains and other earnings (sales of securities ...)
- Industrial and commercial profits
- Liberal professions non-commercial earnings and related occupations
- Agricultural profits
- Property benefits

The income received by all members of the household must be listed on the declaration.

How to file your tax declaration?

You have two options:

- Declare your income online <https://cfspart.impots.gouv.fr/LoginMD-P?op=c&url=aHR0cHM6Ly9-jZnNwYXJ0LmltcG90cy5nb3V2LmZyL3BvcnRhbC9kZ2kvcHVibGljL3BlcnNvP3BhZ2VJZD1wbmEycGFyJnNmaWQ9MzA=Ut>
- Use paper declaration received at home

In both cases, the tax authorities have pre-completed your declaration with your major income: wages and salaries, retirement benefits, unemployment, sickness benefit, overtime, pensions and investment income earned in 2015.

If you employ someone in your home (babysitting, cleaning lady ...) and remunerate her/him with *Chèque Emploi Service Universel (CESU)*, the amount of wages paid is included in the declaration. These sums may generate tax deductions.

If you have not worked full time throughout the year, the number of paid hours is pre-completed on the paper declaration or the online declaration for the calculation of the *prime pour l'emploi*.

Before signing your declaration, remember to check the information indicated. Correct or complete it if necessary.

Regarding the income from your salary, check using the fiscal form AUP sent to your home last March 30th.



If you have misplaced your fiscal form, you can find the amount of your taxable income on your December pay slip, if you worked full year at AUP. In this case, see the bottom of your pay slip and the taxable income column since 01/2015.

For example, if you started working at AUP in September 2015, see the taxable income column since 09/2015. Remember to add up all your income in the event of multiple employers.


Internet Declaration

The online reporting service opens from **April 13th, 2016**. Deadlines vary depending on the department. For the Ile de France, the deadline is **Tuesday June 7th, 2016 at midnight**.

Paper declaration

The closing date is **Wednesday, May 18th, 2016**.

You must send your declaration to your Tax Office. The address is on page 1 of the pre-filled declaration received at home between mid-April and early May.

 Until now optional, the declaration by internet becomes mandatory in 2016 if you meet the following three conditions:

- Your residence is equipped with internet access
- The income of your tax household exceeds € 40,000
- You are able to do your declaration online

In which cases can you benefit from tax credit?

There are many cases where you can benefit from a tax credit. These are the two most common cases:

- Energy efficiency improvements in your main place of residence.

The tax credit rate is 30%. The amount may not exceed €8,000 for a single person and €16,000 for a married or PACSed couple.

- You employ a person at home (childcare, cleaning lady ...).

For child care, the tax credit can be up to 50% of expenditure incurred in the year with a ceiling of €12,000 per year. This ceiling is increased by €1,500 per dependent child (€750 in case of alternating custody) up to an absolute maximum of €15,000.

You have changed address during the year, how to inform the tax authorities?

If you do your tax declaration on the paper form, you inform the taxes of your move as follows:

If you moved in 2015

The address pre-printed on the declaration is not that of your home on 1 January 2016. You must indicate the exact address and the date of the move.

If you changed your address after January 1, 2016

You must enter your current address and date of the move. Mail from the tax administration will be sent to your new address.

If you do your declaration online, you can notify your change of address:

- At any time
- When you do your tax declaration. At the beginning of your e-filing, you are asked to report your change of address.

You are declaring your taxes for the first time in France?

For a first tax declaration in France, you do not receive a pre-completed form because you do not appear in the taxpayer file. To get a **tax declaration form n° 2042**, you can either go to your local tax office or download from the internet www.impots.gouv.fr in the "Recherche de formulaires" section. Make sure you have checked "Vous déposez une déclaration pour la première fois" (you are filing a declaration for the first time).

You will also need to fill out another form indicating your marital status, address on December 31 of the tax year and the date of entry into the housing.

What to do in case of payment difficulties?

In case of difficulties to pay your income tax, you may request additional time for payment.

If the income of the tax household fell by 30% or more

You can get more time to pay your income tax. The request is made on a specific form indicating the supporting documents http://www.impots.gouv.fr/portal/deploiement/pl/fichedescriptive_1955/fichedescriptive_1955.pdf

You can submit your request in the following two ways:

- Online from Mon Espace Particulier <https://cfspart.impots.gouv.fr/LoginMD-P?op=c&url=aHR0cHM6Ly9jZnNwYXJ0LmltcG90cy5nb3V2LmZyLw==>
- In your tax office (by phone or at the counter)

If household income fell by less than 30%

You can ask for additional time to pay your income tax.

You can submit your request in the three following ways:

- Online from Mon Espace Particulier <https://cfspart.impots.gouv.fr/LoginMD-P?op=c&url=aHR0cHM6Ly9jZnNwYXJ0LmltcG90cy5nb3V2LmZyLw==>
- In your tax office (by phone or at the counter)
- By mail

A questionnaire has to be completed in support of your application.

A staggering of payments can be granted after a personalized review of your situation.

If the administration does not respond to you within 2 months (4 months for complex situations), it means that your application is rejected. You can contest the decision before the administrative court.

Requesting a rebate


If you cannot pay your taxes because of financial difficulties, you can request a total or partial rebate of the amount due.

You can submit your request in the three following ways:

- Online from Mon Espace Particulier (<https://cfspart.impots.gouv.fr/LoginMD-P?op=c&url=aHR0cHM6Ly9jZnNwYXJ0LmltcG90cy5nb3V2LmZyLw==>)
- In your public finance center (by phone or at the counter)
- By mail

A questionnaire has to be completed in support of the request www.impots.gouv.fr/portal/deploiement/p1/fichedescriptive_7511/fichedescriptive_7511.pdf

A rebate may be granted after you a personalized review of your situation. If the administration does not respond to you within 2 months (4 months for complex situations), it means that your application is rejected. You can contest the decision before the administrative court.

 The information contained in this Newsletter also applies to the Taxe Foncière (local tax due each year by the owner of a property) and Taxe d'Habitation (tax levied on properties which are destined for human habitation – this tax is due by the occupier, be the owner, the tenant or a person occupying the space gratuitously).

Do you have further questions? Here are some useful links:

Tax Website: <http://www.impots.gouv.fr/portal/static/>

Access your Private space: <https://www.service-public.fr/particuliers/-vosdroits/R3120>

Information brochures: http://www2.impots.gouv.fr/documentation/depliants_pratiques/page/depliants.htm

Simulator calculation for 2016: income tax in 2015: <https://www.service-public.fr/particuliers/vosdroits/R2740>

Employee at home (reduction or tax credit): <https://www.servicepublic.fr/particuliers/vosdroits/F12>

Tax credit for the energy transition: <http://www.economie.gouv.fr/cedef/economie-energie-credit-dimpot>