

SEPTEMBER 2024

France – Tax Highlights

Update of the French administrative guidelines clarifying favorable tax regimes applicable to dividends received by French companies:

- the conditions under which only **1%** of dividends are taxable at the standard corporate income tax rate of 25%;
- the conditions under which French companies can benefit from a **tax credit** on foreign-source dividends.

[BOI-IS-BASE-10-10-10-10](#), [BOI-IS-BASE-10-10-20](#), [BOI-IS-BASE-10-15](#), [BOI-IS-GPE-20-20-20-10](#), 26 juin 2024

VAT representatives: new template

The French tax authorities have updated the template for the designation of VAT representatives ([here](#)).

TAX TREATIES UPDATE

- **Update of the French administrative guidelines on the Brazil-France income tax treaty**

Are clarified the following provisions:

- Scope of the tax treaty: French taxes covered by the treaty include social taxes paid by individuals on their income, namely: the generalized social contribution (*contribution sociale généralisée*, “CSG”), the social security debt contribution (*contribution pour le remboursement de la dette sociale*, “CRDS”) and the solidarity levy (“*prélèvement de solidarité*”);
- Scope of the concept of dividends, which expressly excludes deemed dividends, which are also not covered by a provision on other income;
- Benefit of the tax sparing/matching credit conditioned upon an effective taxation in Brazil.

[BOI-INT-CVB-BRA](#)

- **Belarus's** suspension of articles 7, 8 and 11 of the Belarus - France Income Tax Treaty: France has published a notice (in French) ([here](#))
- **North Macedonia** expresses interest in negotiating social security agreement with France during a meeting between officials of the two countries held on 18 July 2024

- **Burkina Faso – France Income Tax Treaty: updated guidelines regarding the end of application of the treaty provisions**
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