



## **How to declare your first french employee (s) in France ?**

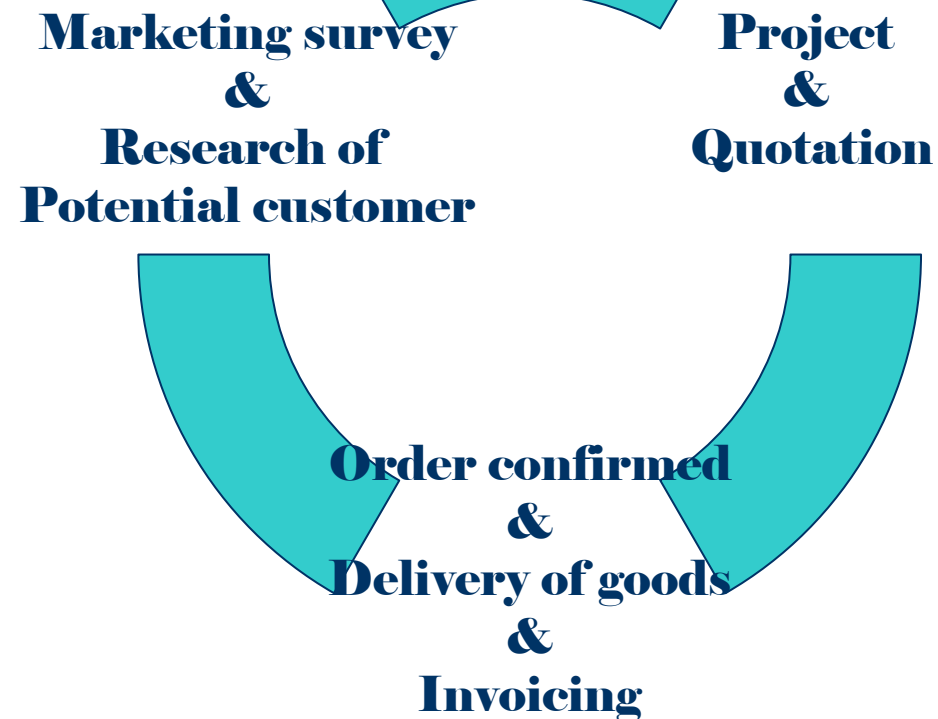
**The accurate « Status » really depends on the job content ...**



[www.sedigroup.com](http://www.sedigroup.com)



## Commercial Cycle ?





## **If full commercial cycle : stable establishment required**

➤ **Branch**

➤ **Subsidiary**

### **Recruitment procedure :**

- 1 - Incorporating the company - Obtaining the SIRET Number**
- 2 - Drafting the employment contract - French Law applies  
( detachment \* / company schemes \*)**
- 3 - Completing and sending the DUE to your local URSSAF ( P45 /P46)**
- 4 - Monthly french payroll + net salary payment**
- 5 - Social contributions ( ee+er) to be declared and paid each quarter**
- 6 - Annual returns to be issued in January for the tax year jan / Dec**





**If partial commercial cycle : NO Stable establishment !**

- **Commercial agent / sole trader / Independant / Agent commercial / VRP**
- **RFE = Representant de Firme Etrangère / sole representative**

**Recruitment procedure : RFE**

- 1 - Drafting the employment contract - French Law applies ( schemes\*)**
- 2 - To register your UK company with URSSAF du Bas Rhin - SIRET**
- 3 - Appointing an agent - specific mandate**
- 4 - Monthly french payroll + net salary payment**
- 5 - Social contributions ( ee+er) to be declared and paid each quarter / agent**
- 6 - Annual returns to be issued in January for the tax year jan / Dec**





# DETACHMENT

## Social consequences

**The detached employee & his/her family remain affiliated to the social coverage system of their country of origin .**

### How to get the affiliation maintained ?

Ex British detached employee

**Firm A**



Application letter

**Inland Revenue**

Ni Contributions Office, International services  
Longbenton, Newcastle Upon Tyne  
ENGLAND NE98 1ZZ

**Firm A**



E101 - E102  
E128 – E111

**Inland Revenue**

The E101 form proves that the detached employee remains submitted to the social legislation of his/her country of origin :

payslip remains issued by Firm A  
Social insurance maintained  
Pension schme maintained  
Unemployment benefits maintained  
PAYE ?



[www.sedigroup.com](http://www.sedigroup.com)



# DETACHMENT Tax consequences – PAYE ?

Ex British detached employee to France

## **Conditions of tax residence in France :**

- **Home or main place of residence in France**
- **Centre of economic interests in France**

Tax residence in France may be obtained after a minimum of a 183-day-stay in France, which is often the case of detached employees to France.

British long- term detached employee will keep receiving a British payslip from his/her employer but will be submitted to French income tax

## **Non double taxation principle ( Bilateral tax agreement UK / France)**

PAYE cancelled from UK Payslip : to require a new Tax Code from INLAND REVENUE

French income Tax : the employee will have to declare his /her annual taxable income once a year by filling in & sending form Cerfa 2042 to French Tax Office ( Centre des Impôts local).



[www.sedigroup.com](http://www.sedigroup.com)



**S.E.D.I.**

**Recruitment in France !**

**DIRECT ACCESS TO A NEW MARKET :**

**PLAY THE GAME & BE PREPARED**



[www.sedigroup.com](http://www.sedigroup.com)