

FRENCH PAYSLEIPS & SOCIAL CONTRIBUTIONS

MAJOR CHANGE INTO THE PROCESS OF HR DATAS REPORTING : REAL TIME INFORMATION

“DSN Déclaration Sociale Nominative”

From the 1st of January 2017, any French employer will have to comply with the new procedure of social datas reporting called DSN in France.

The DSN is a new way to report payroll records using internet new technology.

Most of existing social returns you are familiar with will become invalid : DPAE, DUCS , End of employment certificates, application for getting reimbursements for sickness, or maternity leave / paternity leave ...

For example the URSSAF return or pension return that we were sending to you at the end of each civil quarter will be disqualified.

From 01.01.2017, All payroll records will have to be transmitted to URSSAF & Pension fund via the payroll software .

A few months ago, we have validated the fact that our payroll software was compliant with the DSN requirements and we have initiated the whole process for SEDI First in advance.

What are the consequences for your company & way to transfer the information to us ????

- **DSN** : The DSN process is possible **ONLY** if all necessary information have been collected by us as soon as the employment has been decided : please complete without any delay the New Employee Form supplied by SEDI – if you do not have it, please make sure you get it from us asap.

BE AWARE : if your employee has not yet a French social security number, your employee will have to apply for one immediately to the local CPAM linked to his/her home address. The DSN can not be transmitted without this unique social security number ! If the final number is not yet available, the CPAM will issue a provisional number.

- **DSN Evènementielle** : If your employee’s circumstances change, the DSN Evènementielle requires it to be declared in a 5 days period maximum !

Ex : new employee joins, employee leaves the company, sick leave, maternity leave, paternity leave ...

IF the information is not transmitted within this delay of 5 days : ☹!

- Penalties will apply : 7.50 euros per employee for each inaccurate information transmitted or delays not respected UP to 750 euros per month per company ☹ !
- CPAM will refuse reimbursing the daily financial allowance (IJSS) for any sick leave or maternity leave not declared in due time ☹ ! If the Collective Bargaining Agreement is imposing the employer to maintain the full payment of the salary during sick leave or maternity leave, the company won't benefit the reimbursement of the indemnity if the declaration has not been transmitted within the 5 days of the event !

The payroll records will have to be transmitted via the DSN requirements within 5 days following the end of the month.

For Example, the payroll records of January will have to be transmitted to social bodies and mainly URSSAF & Pension by the 5th of February !

As an employer, you will need to inform officially all your French employees as soon as you will activate the DSN. You will find attached the example of the letter you will have to send to each of your French employee. Your employees concerned, will have to acknowledge the receipt of this letter by signing one exemplary of the letter on the front page + writing the date of signature.

What about the payment of the social contributions ?

Even so the payroll records have now to be transmitted on a monthly basis, the payment of the social contributions will remain on a quarterly basis for companies employing less than 10 employees in France.

Payment due date reminder :

1st Quarter (January/February/March) : 15 avril

2nd Quarter (april/may/june) : 15 July

3rd Quarter (july/august/september) : 15 Octobre

4th Quarter (october / november/ December) : 15 January following year

IMPORTANT : for the moment, the payment can only be debited on a French Bank Account – not a foreign Bank account ! We hope that this will change in the coming months, as EU Bank debits are now possible for VAT payments all over Europe ...We will keep you informed asap.

2/3

SEDI FRANCE SARL
18, rue Gambetta, 95880 ENGHEN LES BAINS, France
Phone : +33(0)1 34 05 07 71
RCS Pontoise B 410 485 981 APE 7022Z

SEDI UK Ltd
281 Vauxhall Bridge Road, SW1V 1AD LONDON, United Kingdom
Phone : +44 (0)203 4053 203
Company reg in England & Wales n° 3494781

Website : www.sedigroup.com

Email : info@sedigroup.com

For Companies concerned by the Quarterly payments (less that 10 employees) :

Debits generated by URSSAF & Pension will appear as 3 different debits : one per payroll records transmitted.

Example :

The company XY employs 3 employees. During the 1st quarter, commissions are added to normal gross salary. There is a new employee on 9th of January & one employee resigned on the 25th of March.

We'll have to declare a DSN évènementielle before the 14th of January (5 days from the 9th of January) for the new employee

The monthly DSN for payroll records is sent on 5th of February for January payslips for 15 000 euros , 5th of March for February payslips amounting to 12 500 euros .

We'll have to declare a DSN évènementielle before the 30th of March (5 days from 25th of March) for the departure of the employee who resigned.

The monthly DSN for March salaries will be transmitted by the 5th of April for 12 500 euros

All payments of contributions will be debited on your French Bank account / or SEDI Bank account if it applies by the 15th of April through 3 direct debits :

January : 15 000 euros

February : 12 500 euros

March : 12 500 euros

For companies with more than 10 employees : the monthly payment of social contributions applies on the 15th of the following month.

Legal source : Décret n°2016-611 dated 18.05.2016

DSN official website : www.dsn-info.fr

DSN Help line : 0811 376 376