

FRENCH TAX RETURN 2021

Changes

Just one on the 2047, it is easier to enter interest, just box 2TR, section 260.

What forms and how do you fill them in:

2042 is the blue form that everybody has to fill in and it is on this form that you report what you have filled in on other forms. But there are different versions of the 2042:

2042: This is the normal blue 2042 form that everyone has to fill in - no exceptions.

Check or fill in the information on page 1 (name, address, etc). On page 2, check or fill in the information asked for (marital status, etc) and make sure it is correct as they can give you allowances or discount (invalidity, number of children living with you, etc).

2042RICI: This is the form on which to report things that give you tax credits such as having kids at college, lycee, etc or doing some work on your house related to saving energy and ecology.

Note that this year, the box for employing a gardener or cleaner, giving to charity is on the normal 2042.

2042C: This is the form if you are under the French health system via an S1 (ie you are receiving a state pension). You need to tick box 8SH (declarant 1) and/or 8SI (declarant 2) to avoid paying Social charges on your interest. Box 8TK which was on the last page on the normal 2042 before is now on this form. This is the box that people with government pension or UK rental need to tick. You can also find box 8VL which is the 17.7% tax credit on your dividends. Those boxes are on the last page of form 2042-C.

Revenus du patrimoine exonérés de CSG et de CRDS

Vous relevez d'un régime d'assurance maladie d'un État de l'Espace économique européen
ou de la Suisse et vous n'êtes pas à la charge d'un régime obligatoire de sécurité sociale français.....

DÉCLARANT 1

DÉCLARANT 2

8SH COCHEZ

8SI COCHEZ

2042C Pro: If you are self-employed in France, this is where you fill in your professional revenue.

This is also the form used to declare revenues from Gites or chambre d'hôtes nonprofessional.

2044: This is the form to fill in if your rental income is superior to 15 000 euro per year.

2047: This is the purple form (or pink) on which you enter your revenue from abroad.

It is better if you start with this one and then report the result on the other forms. Here is how to do it:

2047: Enter all your pension revenues (even those from civil servant that are taxed in the UK) on page 1, section 1 in the box called « Pensions, retraites, rentes ». Be careful, you now must tick the box stating if the pension is public (ex-civil servant) or Privé (private and state pension/old age). So, if you have both, tick both boxes. You then have to report pensions to the pension section on the **2042**,

page 3, section 1, line 1AM (or 1BM for declarant 2) for pensions taxed in France (state pension and private pensions) and line 1AL (or 1BL for declarant 2) for pensions from UK government employees such as teachers, civil servant, military, NHS, etc).

In section 2, on page 2 is where you put the interest you earned on savings in the UK. ISAs and Premium bonds are taxable in France as you are French resident so, you have to fill them in at the bottom of page 2 in the box 260 « intérêts ». Enter the country of origin, then write the amount on line 2TR.

Then report the amount in line 2TR, page 3, section 2 of the 2042.

You will also need to tick box 2OP on form 2042, page 3 if you want the interest to be taxed according to the rest of your income and not at 12.8% flat tax.

In section 4, enter the revenues from house rental abroad. Then report on section 6 to get the tax credit (because it is taxed in the UK) and report on line 4BE and 4BK, section 4 of the 2042. If revenues from rental are > 15000 euro, you have to fill in the 2044 form.

In section 6, put the revenue from government employees pension (military, police, NHS, civil servant, etc) and rental income from property in the UK (those will always be taxed in the UK whether you are French resident or not). Then report the amount in line 8TK, last page of the 2042C. This is because those revenues/income get a tax credit in France equivalent to what the tax would be on it in France as they are taxed in the UK. You must enter the gross amount (before tax for pensions or expenses for rental).

3916: If you have a bank account outside France, then you must declare it on that form (section 1 and 4). One form per account. Or if you have a lot, on a blank A4 paper. All bank accounts, life insurance policies and digital assets contract opened, held, used or closed abroad during the year.

This includes accounts opened with banks, investment service providers, public administrations or individuals such as notaries or money changers that receive deposits in securities, shares or cash on a regular basis. It also includes life insurance policies taken out with insurance companies and similar institutions.

It does not, however, concern accounts used to make payments for online purchases or deposits concerning sales of goods that total less than €10,000 a year for all accounts taken together, where such accounts that were used for transactions are backed by one or more accounts opened in France.

Don't forget to date and sign the forms.

If it is your first declaration, join a RIB and copy of your passport.

The exchange rate for 2020 is 1.13 (that is the average of last year) but different Departements may give a different rate. If you can get another rate from your local tax office, use theirs if it is lower than 1.13.

Note that when you ask the official Paris tax office they tell you to use the rate from the "banque de France" (BdF) on the day you got paid or use the average of the year. The BdF rate and the ECB rate are generally the same.

Alternatively, If your pension has been directly transferred to your French bank account (perhaps by HMG), just add up all the figures of last year as long as it is a gross amount (not taxed at source).

(based on information provided by Isabelle Want May 2021)

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