

France

13th Directive (86/560/EEC) VAT refunds

I. RECIPROCITY AGREEMENTS – Article 2(2)

1. Does your country have any reciprocity agreements?

France transposed into domestic legislation the possibility offered by Article 2(2) of the 13th Directive of making tax refunds conditional upon the granting of comparable advantages regarding turnover taxes in the applicant's home country. In practice France has not always applied this rule.

2. If yes, what countries are included in the reciprocity agreements?

None.

3. What is the equivalent third country tax to which the reciprocity agreements relate?

Not applicable.

4. What goods and services are allowable under the reciprocity agreements?

Not applicable.

5. Are there any specific or additional rules applicable in relation to the reciprocity agreements?

No.

6. If your country has no reciprocity agreements, do you still allow refunds?

Yes. Under Articles 242-0 M to 242-0 U of Annex II to the General Tax Code (CGI), taxable persons established outside the Community who do not carry out taxable transactions in France may be refunded tax levied on their purchases in France under the same conditions as taxable persons who are established inside the Community.

II. TAX REPRESENTATIVES – Article 2(3)

7. Does your country require the appointment of a tax representative?

Yes. Under Article 242-0 S of Annex II to the CGI taxable persons established outside the Community are obliged to designate a tax representative.

8. What conditions are imposed when appointing a tax representative?

The tax representative must be liable for VAT, established in France and accredited by the tax administration.

III. REFUND ARRANGEMENTS – Article 3(1)

9. What are the time limits that are applied for making a claim?

Claims for reimbursement may be made from the month that follows the calendar quarter or the calendar year, and no later than six months after the close of the calendar year during which the tax to be refunded was due.

10. What periods are eligible for a refund?

Calendar quarter or calendar year.

11. Where shall the applications be made?

As of 1 September 2006, applications for refunds are to be sent to:

Service de Remboursement de la TVA

10, rue du Centre

TSA 60015

93465 NOISY LE GRAND CEDEX

Tel: + 33 (0) 1 57 33 84 00

E-mail: sr-tva.dresg@dgi.finances.gouv.fr

12. What is the minimum amount of VAT that can be refunded?

Applications for refunds are only admissible if they refer to a minimum amount of €200 for a quarterly application and €25 for an annual application.

13. How can the applicant receive an application form?

Applicants can download the form for refunds (form No 3559) from <http://www.impots.gouv.fr> by clicking on "recherche de formulaires". Or they can apply to the VAT refund service ("Service de Remboursement de la TVA") which will send them the documents they require.

14. What languages may be used for completion of the form?

French.

15. What information is requested on the application form? Please could you provide a copy of the form or a website link.

The following information must be supplied:

- the tax representative's intra-Community identity number;
- name, address, nature of activity carried out by the requester;
- the applicant's intra-Community VAT number;
- the period covered by the request, the amount of tax for which refund is requested, preferred method of payment and details of the bank account to be credited;
- the number of annexes, invoices and import documents;
- for each transaction and in order, the nature of the good or service, the name and address of the supplier or service provider, the date and number of the invoice, and the amount of tax in euros for which a refund is applied for.

The link to the website is the one in the answer to question 13 above.

16. Is any information optional? If yes, what information?

Not applicable.

17. Who is authorised to sign the application form?

The applicant or his or her representative.

18. What evidence is required to support an application?

Originals of invoices or import documents.

19. What time-limits does your country apply to making a refund?

The time-limit is six months. This may be extended by three months in exceptional circumstances, if the applicant gives notice.

IV. ELIGIBILITY– ARTICLE 4(2)

20. Are there any other conditions applicable?

If clarification is required, the foreign taxable person may be asked to provide copies of cheques, bank statements or proof of payment to demonstrate payment of the tax for which he was invoiced by the French supplier.

21. Are certain types of expenditure excluded and if so which?

The same exclusions apply as for the domestic scheme:

- goods and services which are not necessary for the requirements of the undertaking;
- housing or accommodation costs paid by foreign taxable persons for their employers or employees;
- transport of persons and operations associated with such transport;
- fuel and lubricants of petroleum origin which are not then supplied or sold as such or in the form of other petroleum products;
- goods made available without payment or at prices well below the market rate, unless they are goods of very low value;
- services of any type for goods not eligible for deduction.

V. MAJOR DIFFERENCES BETWEEN REFUNDS UNDER THE 13TH AND THE 8TH (79/1072/EEC) DIRECTIVE

22. What are the main procedural differences between applying for a VAT refund based on the 8th Directive and a refund based on the 13th Directive?

Refunds are carried out under the same conditions.

23. Do certain types of expenditure give rise to refund under the 8th Directive but not under the 13th Directive? If yes, please specify the types of expenditure.

No.