



## **BH ASSURANCES MARCH 2018 NEWSLETTER**

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# ARTICLE OF THE MONTH

## LOI DE FINANCES 2018 -The Budget 2018 !

Basically, every year we have a new budget just like in the UK. Except we call it “Loi de finance”. So here is a round up of all the good and bad news for 2018!

1. **Taxe d’habitation:** This tax will progressively disappear for 80% of families. It will be done over 3 years. So, your tax d’habitation will be reduce by 1/3 starting from 2018 as long as your “revenue fiscal” (you can find it on your income tax bill) is less than 27 000 euro for a single person and 43 000 euro for a couple with no children.
2. **Wealth tax:** The wealth tax called ISF disappears and is replace by IFI Which is called “Impôt sur la fortune Immobiliere”. Now only people who have more than 1.3Million worth of properties are taxable (you still have 30% discount for your main residence). The money and other movable assets do not come into it anymore.
3. **Social Charges:** It has increased from 15.5% to 17.2%. In exchange for that, they have erased some stamp duty/cotisations on salaries. So bad news for pensioners!
4. **Change in taxation of capital gain and interests:** This measure is called the flat tax. On revenues such as dividends, interests and capital gain, people are now taxed at a rate of 30% (17.2% for social charges and 12.8% for income tax). But you still keep the choice between the 30% flat rate or adding your gain to your income tax which is an advantage if your average income tax % is below 12.8% (you can see that on your income tax bill).
5. **Increase of ASPA (old people financial help):** It will increase by 100€ euro per Month from now to 2020. So, 30€/Month from April 2018 then an extra 35€/Month from January 2019 and finally another +35€/Month from January 2020 for a single person. For a couple it will increase by 155€/Month to 2020.
6. **Increase of AAH (disabled entitlement):** From 811 to 900 euro per month from now to end of 2019. So, +49 per Month from November 2018 and another 40/Month from November 2019.
7. **Increase of the activity bonus:** For people on low salary, they will get a higher bonus of +80/ Month from now to 2022.
8. **Decrease of APL (financial help for low income lodgers):** According to the government this will be compensated by lower rental!! Yes, they have asked tenant to lower their rent!
9. **Extension of the tax credit for energy saving work on your main property (CITE):** But by 2019, it will not be a tax credit, but a cheque given when the work is complete.
10. **Tax increase on diesel fuel:** They are increasing the tax on diesel fuel to 2.6 centimes / litre per year for 4 years, so it is the same as petrol.

11. **Extension of the “loi Pinel”**: See product of the Month below
12. **Increase of the bonus given for changing an old car to a new one**: If you have a petrol car older than 1997 or diesel older than 2006, you can receive 2000 euro for a recent second-hand car or new car or 2500 for a new electric car. Only people who do not pay income tax are eligible.
13. **Extension of 4 years of the 0% mortgage loan (PTZ)**: If you are buying your first main residence, you can get part of your mortgage at 0% interest. It must be a new build or an old house with some work. There are conditions of revenues and they also depend on where you are buying.
14. **Help for single parent families and low-income large families**: Increase of the cap that entitles you some help to look after your children by 30% for single parent families and increase of 16.80€/Month from 01/04/2018 to help large families on low income.
15. **Enlargement of the Energy Cheque measure to all of France**: In 2017 only 4 departments were benefiting from it. Now it's all of France! If you are single and earning less than 7700 / year and a couple with less than 11500 euro of revenues per year, you can get a cheque from 150 to 200 euro to help pay towards energy bill or work to improve insulation.
16. **Toughening of the tax on polluting cars (malus automobile)**: It is a tax you pay when you register a car to your name to get a “carte grise” on your name and basically the more polluting the car, the more expensive is the Malus automobile. The French government has decreased the CO2/km emission from 127g to 120g and increased the cap of the tax from 10 000 euros to 10 500 euros.

OK, as you can see some good and some sad news! This new law of finance was deemed to be more for rich people than poor probably because it involved the wealth tax and the increase of social charges was as welcome as any tax increase usually is. It was said that this law was meant to increase people's budget, but pensioners have been left with less money due to the increase of social charges.

## PRODUCT OF THE MONTH

### Loi Pinel or How a rental investment can reduce your income tax!

The number one hobby in France is avoiding tax! But it might come as a surprise to you that it is actually legal and encouraged by the French government. Over the past 30 years, the French government has created some laws, which gives you tax reduction in return for investing in building/creating new housing in specific areas where it is needed.

1. **Quick history:** Just to confuse people, the name of the law and the details of it changes with every government in my view only satisfy the ego of some ministers! Yes, you guessed it, the law bears the name of the minister who created it. Loi Pinel (law Pinel). It is named after Sylvia Pinel who was housing minister! But over the past 30 years, we had Law: Borloo, Duflot, Malraux, Sellier, Robien, DeRobien, Besson, Mehaignerie just to name a few! Fortunately, our new President has decided to keep Loi Pinel until 2021 and not change the name, only some details of it.
2. **How does it work:** You buy a flat or house “en vente future d’achevement”-VFA meaning it has not yet been built (you buy it looking at a plan) and in return the French government gives you 2% of your investment per year as a tax reduction. So, if you buy a flat at 100 000 euro, you can claim back 2000 euro off your income tax over the next 9 years, 1% in year 9 to 12.
3. **Conditions:** You have to rent the residence for at least 6 years. The residence has to be rented to people who use it as a main residence. You only get the tax reduction for the period that is rented. Meaning if you stop the rental after the 6 years, you also stop the tax advantages.  
The residence has to be in dedicated areas, basically big towns, so not La Rochelle, Poitiers or Angoulême, but Paris, Bordeaux, Lyon, Toulouse, etc where housing is in shortage.
4. **Limits:** You cannot buy more than 300 000 euro of housing per year. And all your tax reduction cumulated cannot go over 10 000 euro per year. Yes, there are other legal ways to reduce your tax like paying a gardener/cleaner or ecological work on your main residence so if you add them to Loi Pinel, make sure you don’t go over 10K.
5. **Who is it for:** Well, obviously for people who pay more than 2500 of income tax per year and who want to invest in properties. If you think about it, you generate yourself some assets and in return you get tax advantages.
6. **How do you do it:** Well, quite a few companies offer some programs Loi Pinel and yes, Allianz in partnership with Credit Foncier also does it. We have more than 25 years’ experience in it and we make sure that when we choose some residences, we use recognised builders and only 10% of the residences are used as Loi Pinel, the rest is sold as main residence to private owners to ensure that the building is not fully rented out to lodgers.

To conclude, if you don’t like paying income tax and you are thinking of building yourself a property portfolio, this is definitively for you. But be aware who you do it with. Feel free to contact me for any further information on this subject.

## EVENTS IN MARCH in CHARENTE

**3<sup>rd</sup> and 4<sup>th</sup>:** XVe wine and food fair in St Saturnin.

**9<sup>th</sup> and 10<sup>th</sup>:** Emmaüs sale in La Couronne from 2 till 5h30 and 10 till 6.

**18<sup>th</sup>:** Pig festival in Feuillade. With the famous pig screaming imitation competition at 3.30pm.

**24<sup>th</sup> and 25<sup>th</sup>:** Wine and food fair in Mansle from 10 till 6.

**27<sup>th</sup>:** Rouillac fair

**31<sup>st</sup> and 1<sup>st</sup>:** Cheese, wine and food fair in Pranzac. Entry at 2 euro.

**1<sup>st</sup> of April:** Plant fair in Marcillac Lanville

## OUR PROFESSIONAL OF THE MONTH

### Petite Paws Cattery

**We are a fully registered with the DSV (Veterinary Services) and have been awarded the French Certificate of Capacity.**

As lovers of cats, we run the cattery not only as a business but for pleasure, offering love, cuddles and affection to all the cats who come and stay with us. The happiness and well-being of your cat(s) is our main priority whether young or old, moggie or pedigree, we love them all and we always provide a complementary tuna supper on Friday evenings to welcome in the weekend! A very important feature of the cattery is that we do not board dogs, therefore the cats are not disturbed or frightened by barking. This is very important, as although many cats will learn to live happily with their own family dog, it is a very different matter when unfamiliar dogs start barking near a cattery.

You are of course very welcome to phone or e-mail us during your cats stay to find out how they are settling in.

La Tourterie  
16310 Montemboeuf

Telephone: 0545 23 62 35  
email: [izzy@petitepaws.fr](mailto:izzy@petitepaws.fr)

<http://www.petitepaws.fr/>



## WHAT HAPPENED IN FRANCE IN FEBRUARY 2018

**In general**, last year France exported 199 million 6 bottle cases of alcohol to the rest of the world! This is our second biggest export of France (first one is planes). That is 5% more than the previous year. This represents a turnover of 12.9 billion euro! Biggest sellers are Cognac, Champagne and Wine.

There is now a legal battle between the widow of Johnny Halliday and his children over the inheritance of the dead singer. As we say in France, a happy family is a family that has not inherited yet!

A fishing boat sank off the coast of La Rochelle killing 2 fishermen.

2 French soldiers were killed in Mali and one seriously injured by a roadside Bomb. Some 4000 French troops are fighting Al-Qaïda there since the summer of 2014.

**In crime**, The man who was arrested for the murder of the little girl called Maelys that disappeared during a wedding back in August has finally admitted killing her (by accident) and revealed where he deposited the body.

**In sport**, France has finished 9th in the winter Olympic games with 5 gold medals, 4 silver and 6 bronze. Martin Fourcade has won 3 of the gold medals for France in Biathlon becoming our most successful Olympian with a total of 5 golds and 2 silvers.



## VERY EASY RECIPE

### Avocado Prawns

Ingredients:

2 avocados

2 boiled eggs

2 shallots

1 soup spoon of mayonnaise

10 prawns

Salt and pepper



Peel and chop the prawns very small. In a bowl, crush the avocado and add the prawns, chopped shallots, crushed boiled eggs and the mayonnaise. Season to test. And put the mixture in ramekins.

It's a lovely starter with some crusty toasted bread. You can replace the prawns with tuna or even add a bit of cayenne pepper or lemon juice to make it sharper.

# LIVING IN FRANCE

## Les Fédérations Françaises de sport

The French sport federation are constituted as « association » and their aim is to manage the organisation of practice of sport activities both as leisure and professional.

### There are diverse types of fédérations:

- The fédérations unisport (representing just one sport), to the number of 92, which are divided in 31 Olympic and 61 non-Olympic;
- The Multisports federation, to the number of 25, inside which you can distinguish 3 types: the fédérations of affinity -same interest (18), the fédérations for disabled sport (2) and the fédérations of schools and universities (5)

To practise a sport in France, you usually join a “club” or “association” which is automatically affiliated to one of those federations. E.g.: If you want to play football or Rugby you join your local club and pay a licence from the Federation Française de football or FFR (Fédération Française de rugby). Your licence will show the name of your club and a nice photo of you! The money you paid is split between your club and the federation. This money allows the federation to promote the sport, create projects and pay professional sport educators or athlete. So, the more members a federation have, the more money and hopefully the more successful is this sport! They are non-profit organisation.

The first federation in France is Football with 1 962 241 members, followed by Tennis, Horse riding, Basketball, Judo, Handball, Golf, Rugby, Swimming, Athletics, Pétanque, etc. Yes, there is a French federation of Pétanque! French bowls, and for your information they are lobbying to be in the next Olympics!

Obviously, you don't need to have a sport licence to go rambling or running or fishing or play Pétanque on the town square or golf but note that being part of a club and contributing to the promotion of the sport you practise is good! And having a licence gives you advantages for sporting events and sometimes discount at some sport shop. If you had your Golf licence last year you had priority access to buy Ryder cup tickets (the 2018 Ryder cup is in France!) for example. If you have a football or Rugby licence you would have had priority access to ticket to see the French national team beat England in the six nations this Saturday!! I WISH!

Those licences also include insurance in case you get injured and discount for shops, etc.

But being part of a club is also more than that, it's the opportunity to make new friends and learn French! So, come on join one!

# INSURANCE FRENCH VOCABULARY



French	English
Franchise	Excess
Sinistre	Claim
Assistance	Breakdown cover
Assurance	Insurance
Bris de glace	Windscreen cover (In France it also covers head lights and all windows)
Remboursement	Reimbursement
Cotisation	Premium
Echéance	Renewal date
Date d'effet	Contract start date
Résiliation	Cancellation
Avenant	Amendment
Devis	Quote
Incendie	Fire
Dégâts des eaux	Water damage
Damage électrique	Electrical damages
Accident de voiture	Car accident
Pneu	Tyre
Chevreuil/ Sanglier	Roe Deer/ Wild boar
Fossé	Ditch
Clôture	Fence
Portail	Gate
Tempête	Storm
Arbre	Tree
Grêle	Hail
Neige	Snow
Pluie	Rain
Verglas	Black ice
Toiture	Roof
Maison	House
Murs	Walls
Portail	Gate
Grange	Barn
Contenu	Content
Objet de valeur	Valuable items
Carte grise	Car registration paperwork
Permis de conduire	Driving licence



## CONTACT DETAILS AND USEFULL INFORMATION

**We have 3 offices based in the Charente:**

22 rue Jean Jaures

16700 Ruffec

Tel:+33(0)5 45 31 01 61

Fax:+33(0)5 45 29 68 55

10 Bd du 8 mai 1945

16 110 LA ROCHEFOUCAULD

Tél: +33(0)5 45 63 54 31

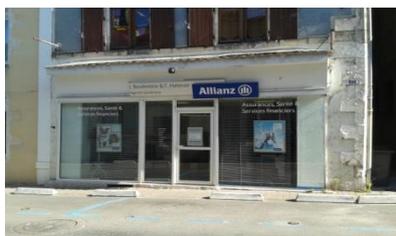
Fax: +33(0)5 45 62 19 79

102 Avenue de la Republique

16260 Chasseneuil sur Bonnieure

Tel:+33(0)5 45 39 51 47

Fax:+33(0)5 45 22 55 54



**The Ruffec and La Rochefoucauld offices are open :**

Monday: 2 to 5.30pm

Tuesday to Friday: 9 to 12am and 2 to 6pm

Saturday: 9am to 12

**The Chasseneuil sur Bonnieure office is open:**

Tuesday to Friday: 9 to 12am and 2 to 6pm

**Email Ruffec:** [ruffec@allianz.fr](mailto:ruffec@allianz.fr)

**Email Chasseneuil sur Bonnieure :** [chasseneuil-sur-bonnieure@allianz.fr](mailto:chasseneuil-sur-bonnieure@allianz.fr)

**Email La Rochefoucauld:** [H916491@agents.allianz.fr](mailto:H916491@agents.allianz.fr)

**Facebook page:** "Allianz Jacques Boulesteix and Romain Lesterps"

**Web site :** [www.bh-assurances.fr/en](http://www.bh-assurances.fr/en)

**Allianz car insurance breakdown** telephone number : 0140255886

**Thelem car insurance breakdown** telephone number:0140251616

**Generali car insurance breakdown** telephone number :0141858483

**Novelia car insurance breakdown** telephone number :0549348086

**CPAM English speaking helpline:** 08 11 36 36 46

**EDF helpline in English:** 0562164908

**Medical Emergency guide:**<http://www.paysduruffecois.com/category/services-a-la-population/actu-services-pop/>

Go to [www.bh-assurances.fr/en/practical-informations/](http://www.bh-assurances.fr/en/practical-informations/) to register to receive our Monthly Newsletter. You can also view all the previous Newsletter on the same page.

As usual, feel free to contact us for any suggestion on subject you wish to see on this Newsletter!