



## **BH ASSURANCES MAY 2018 NEWSLETTER**

### **Summary:**

Page 2, 3, 4 & 5: Isabelle Want 's article of the Month "French Income tax form 2018" and IFI (New wealth tax)

Page 6: Events in May and agency news

Page 7: what has happened in April and fundraising

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# ARTICLE OF THE MONTH

## INCOME TAX FORMS 2018!!!

Oh no! It is that time of the year again when you have to fill in your income tax form. It's all in French and there is lots of pages and boxes to fill in! And they may have changed it again!

Well, worry not, help is at hand. I will try to explain it to you and make it simple. I will only cover the most common revenues so for more technical information, contact me directly.

### 1) Changes

Actually none!! So good news.

### 2) Important dates:

You have to declare your revenue for the year 2017 (January 1st to 31<sup>st</sup> of December). However, the tax office accepts that you use the revenue corresponding to the UK tax year.

You can start filling the forms online( only if it is NOT the first time) from the 12<sup>th</sup> of April and until the 22<sup>nd</sup> of May (Charente, Charente Maritime) or until the 5<sup>th</sup> of June (Vienne, Haute Vienne and The Deux Sevres) If you fill it in on paper you have until the 17<sup>th</sup> of May to hand it in or send it by post. The result (the bill!!) is called Avis d' imposition and is sent to you from mid-August.

Note that from January 2019, the French government has decided to take the tax differently! You will be taxed each month according to your previous year tax rate (written on your tax bill form called Avis d'imposition). Then when you fill in your income tax form for the year 2019, they either reimburse you if they have charged you too much or ask you for more money if they have not charged you enough! This means that they want your RIB (French bank details) so send it alongside the forms.

### 3) What forms and how do you fill them in:

The 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:

**2042K:** This the one most of you should use as you can report revenue from abroad and you can't on the 2042SK.

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

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

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

This is also the form you use if you have to pay the wealth tax (if your worldwide assets are worth more than 1.3 million euro). It's complicated so contact me.

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

**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 (used to be pink) on which you enter your revenue from abroad:

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 carefull, you now must tick the box stating if the pension is public (civil servant,etc) or Privé (private and state pension). So if you have both, tick both. 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 taxed in the UK (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. And yes, 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 230 “intérêts”. Enter the country of origin, then you write the amount on line 233, the again on line 242.

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

**In section 4**, you 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**, you put the **revenue from government 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 you report the amount in line 8TK, page 4, section 8 of the 2042.

**3916:** you have a bank account outside France, then you have to declare it on that form (section 1 and 4). One form per account. Or if you have a lot, on a blank A4 paper.

Don't forget to date and sign the forms!!

**The exchange rate for 2017 is 1.14 (that is the average of last year). You can get another rate from your local tax office, use theirs if it is lower than 1.14! Note that when you ask the official Paris tax office they tell you to use the rate from the “banque de France” on the day you got pay! Or use the average of the year.**

If your pension has been directly transferred to your French bank account, just add up all the figures of last year.

#### 4) Help:

**A complete guide on how to fill in your tax form online is on our web site:**

<http://bh-assurances.fr/en/practical-informations/>

If you are one of my customers, you are entitled to free help in our offices:

**-Ruffec on Friday the 4<sup>h</sup> of May (all day apart from 12-2pm-my lunch)**

**-Chasseneuil sur Bonnieure on Tuesday the 15<sup>th</sup> of May (2-5pm)**

If you are not one of my customers (well, you should be!!), I will be offering **free** help at this location:

**-Lemon Tree in Sauze Vaussais on Wednesday the 16<sup>th</sup> of May from 10.30am to 12pm**

Make sure you have all the figures ready and the relevant forms (you can get them from your local tax office) when you come to see me

**I will also be present at the CLE seminar in Confolens on Friday the 11<sup>th</sup> of May , check their web site for details: [www.cle.com](http://www.cle.com)**

**Make sure you have all the figures ready and the relevant forms (you can get them from your local tax office) when you come to see me.**

## **IFI : IMPOT SUR LA FORTUNE IMMOBILIERE- NEW WEALTH TAX**

The French wealth tax as you knew it has disappeared! It is now a tax on properties only which does not include your savings. But that includes property worldwide so let's have a look at the implication and solutions! Because if you have a house still in the UK and it happens to be in London, you could be subject to this tax!

### **1) Who is subject to IFI:**

Basically, people who have properties worth more than 1.3 million€. If you are French resident, it is your properties worldwide. But properties outside France are exempt for 5 years after you officially becomes a French resident. If you are nonresident, only the house in France is subject to IFI (if valued at more than 1.3 million€).

### **2) What is part of IFI**

Any properties you own (main residence and holiday and rented properties) or real estate rights. Part of shares of companies or organizations for the fraction of their value representing property or real estate rights. So, if you have some funds and inside them there is shares on property, it counts. SCPI shares count.



### 3) **What you can deduct:**

You can deduct 30% for your main residence so if your main residence is worth 300 000€, then you only declare it at 210 000€.

You can also deduct all the taxes related to the properties (except tax d'habitation).

You can also deduct all the cost of renovation or buying of the property (notaire fees for example). You can also deduct the loan you have on the property. So, you bought a house for 200 000€ with a mortgage on it and you still have 50 000€ left to pay on it, you only declare 150 000€.

### 4) **How much does it cost?**

Although you only pay IFI when your properties are worth more than 1.30 million€, you start paying from 800 000€!

Up to	800 000 €	0%
Between	800 000 and 1 300 000 €	0.25%
Between	1 300 000 and 2 570 000 €	0.75%
Between	2 570 000 and 5 000 000 €	1%
Between	5 000 000 and 10 000 000 €	1.25%
Superior to	10 000 000 €	1.50%

It is now declared at the same time as the income tax (form 2042) and you don't have to join any proof with it. Yes, you actually have to calculate the wealth tax yourself! And you have to pay it at the same time you declare it.

Note that your IFI tax and tax due in France and abroad can not be more than 75% of your revenues.

### 5) **Solutions:**

- a) **Nue-propre:** You can buy a property with a mortgage on "nue-propre". Nue-propre is having a property without having the use of it. Imagine an apple tree, the nue-propre is the trunk and the apple is the Usufruit. So you can buy the tree without being able to eat the apples! Under ISF rules, it is the person who has the usufruct of the property who declare the value of the property to ISF. In this case, the owner is a real estate property (companies don't pay ISF). So, you buy the property without the use (you recuperate the use of it after 15 to 18 years). In the meantime, your mortgage for this property is deducted from your total assets so it reduces your wealth tax.
- b) **GIFT:** If you make a donation to charities you get 75% discount limited to 50 000€. You make a donation of 40 000€ to Emmaus, then you can reduce your IFI tax by 30 000€.
- c) **SELL:** Well, yes that's probably the easiest solution. You sell your holiday house or rented property and invest in an assurance vie saving account instead.

**Conclusion:** As usual, and especially for the IFI tax as it can be complicated, do not hesitate to contact me as advice is FREE!

## EVENTS IN MAY in CHARENTE

**First of all, here are all the bank holidays of May: 1<sup>st</sup>, 8<sup>th</sup>, 10<sup>th</sup> and 21<sup>st</sup>!! Our offices will be shut on those days.**

**5<sup>th</sup> and 6<sup>th</sup>:** Afternoon Tea au Château de Nieuil. All profits to Assoc Améthyste, Dépt d'Oncologie, Girac. You need to book by Tel: 05-45-22-87-36

**6<sup>th</sup>:** Rally of old collection cars in Nieuil

**6<sup>th</sup>:** Horse racing in La Couronne

**11, 12 and 13<sup>th</sup>:** In Mansle the Knitting fair

**12<sup>th</sup> and 13<sup>th</sup>:** Flower festival and fair of Ruffecois in the Botanical gardens of Mansle

**19<sup>th</sup>-20<sup>th</sup>:** Collection, sport and prestige car fair in Espace Carat in Angouleme

**20<sup>th</sup>:** Medieval feast in Villebois Lavalette

## AGENCY NEWS

MARINE FILLET has joined us for 9 weeks in the Ruffec office, here she is presenting herself:

“I joined the Ruffec office alongside Angélique for a 9 weeks work experience which is part of my degree course at the University of Poitiers, France. I have been studying Business and Languages (English and Spanish) at the University of Poitiers, pursuing a Bachelor’s Degree.

Throughout the course of my University career I have found a profound interest in Trade and Marketing. I am passionate about being able to gain a first professional experience in a field as wide and diverse as that of insurance. I am well motivated and enjoy every aspect of learning for my future career. As I prepare for a career in International Business, I am eager to gain a more detailed understanding of the field by collaborating with an experienced and dedicated team. I am looking forward to helping you if you have questions or any requirements.

See you soon at the agency! “

The Chasseneuil sur Bonnieure office is now open Monday afternoon from 2 till 5.30pm and now **also on Saturday morning from 9 till 12.**



# FUNDRAISING

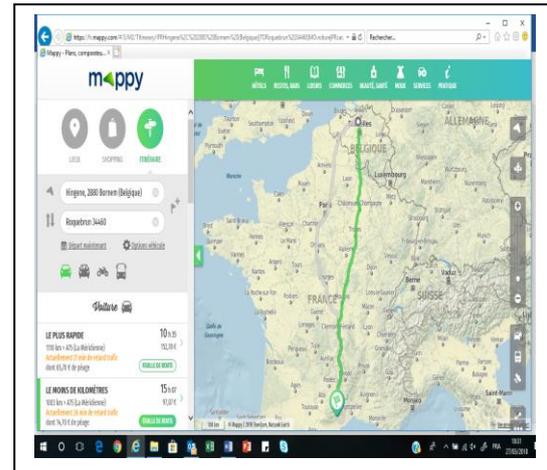
Two of our customers (Wim and Ian) are trying to raise money for cancer Research this summer and we are happy to try and boost their fundraising page.

“This September myself (Ian Rumbold) and two friends (Wim de Smet and Dave Davis) will be cycling from Bornem in Belgium to Roquebrun in the South of France, which is a distance of approximately 1300km, depending on how many times we get lost.

Wim and I will be fund raising for Cancer Research UK.

My tip for the day is, don't come up with bright ideas whilst drinking copious amounts of red wine.”

<https://www.justgiving.com/fundraising/ian-rumbold>



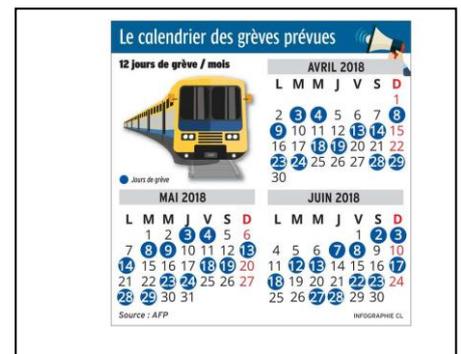
## WHAT HAPPENED IN FRANCE IN APRIL 2018

**In crime**, There has been some violence between police and young people in the suburb of Toulouse (an area called Grand Mirail which is a very poor suburb). This started on Sunday the 15<sup>th</sup> of April and more than 60 cars have been set on fire. This unrest is due to the police doing a routine ID control on a woman wearing a Niqab (some sort of Burka)

**In general**, strikes are still happening in France this Month and throughout the year as usual! from civil servants and Train workers (SNCF), but now also students, well a minority who stop other students from entering the universities during the period of exams. The French government has therefore used the police to try and clear the Universities. Some of the people blocking the entrance are not actually students! As I can't keep in touch with all the strikes, here is a link from a web site informing you of the dates of each strikes:

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

Yes, we have a specialised web site for strikes!! And don't ask me why, I lost touch!



The French government has started to clear the area around Notre Dames des Landes which was occupied by the ZADistes (Arnachist people who claim to defend nature). The clear out took more than 3 weeks and is still happening and quite violent with injuries on both sides. The Zadistes were occupying this site to stop the building of a new Airport and they have won but now they refuse to leave because they are happy there leaving in the wild in their made-up village!

**In sport**, PSG (the Paris team that nobody likes in the countryside) has won the French football league. A special applause for Neymar (player of PSG and Brazil) who gets paid 81 000 euro per day and has been injured since February and will come back nice and fresh on time for the World cup!

# LIVING IN FRANCE

## French school holidays

Well, let's be honest to start with, there is lots of it! In fact, so much so that I sometimes think I would be better off being a teacher.

When it comes to school holiday, France is divided in 3 areas (called zones A, B and C) so that not all children (and their parents) of France are on holiday skiing at the same time!

Zone A is the area around Besançon, Bordeaux, Clermont Ferrant, Dijon, Grenoble, Limoges, Lyon and Poitiers

Zone B are Aix-Marseilles, Amiens, Caen, Lille, Nancy-Metz, Nantes, Nice, Orleans-Tours, Reims, Rennes, Rouen and Strasbourg

Zone C are Creteil, Montpellier, Paris Toulouse and Versailles



There are times when those 3 zones are on holiday at the same time (In the summer for 2 Months! and for Xmas and All saints holiday).

For the other holidays which comes every 6-7 weeks! They are split so that they don't all go on holiday at the same time.

Other holidays are the winter break (vacances d'hiver) which has just finished so zone A from 12 to 23<sup>rd</sup> of February, Zone B from 19<sup>th</sup> of February to 2<sup>nd</sup> of March and Zone C from 26<sup>th</sup> of February to 9<sup>th</sup> of March.

Then comes the Easter holiday (vacances de Paques) just 5 weeks later so Zone A from 9<sup>th</sup> to 20<sup>th</sup> of April, Zone B from 23<sup>rd</sup> of April to 4<sup>th</sup> of May and Zone C from 16<sup>th</sup> to the 27<sup>th</sup> of April.

9 weeks later comes the summer holidays (vacance d'été) also called "les grandes vacances" (big holiday) when all 3 zones are on holiday together. You might think that 9 weeks is long, but May is full of bank holidays and June full of exams meaning some classes don't run as they need the rooms for exams!

Back from Summer holiday (of 2 months!) they start a new class or school and then 7 weeks later they have the All saints holiday (les vacances de la Toussaint) from 22<sup>nd</sup> of October to 2<sup>nd</sup> of November.

Then another 7 weeks later is the Xmas holiday from 24<sup>th</sup> of December to 4<sup>th</sup> of January.

It is important for you to know those dates and they are written on any French calendar with each zones in different colour. Why? Because it makes your holiday and travel cheaper is you do it outside those dates!

# 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
Dégats 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

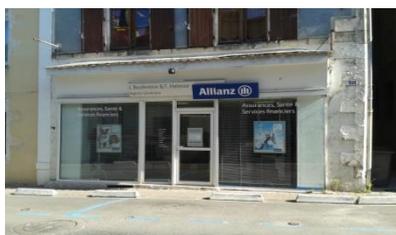
Fax: +33(0)5 45 62 19 79

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



**All our offices are open :**

Monday: 2 to 5.30pm

Tuesday to Friday: 9 to 12am and 2 to 5.30pm

Saturday: 9am to 12

**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:** [la-rochefoucauld@agents.allianz.fr](mailto:la-rochefoucauld@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!