enabling new business

SWITZERLAND GLOBAL ENTERPRISE

France

Legal Provisions

Compiled by:

Swiss Business Hub France

Paris, September 2026

CONTENTS

GENERAL REMARKS	2
CUSTOMS LAW AND DUTIES	2
IMPORT REGULATIONS / NON-TARIFF RESTRICTIONS	4
PRODUCT REGISTRATION AND TECHNICAL STANDARDS	4
CURRENCY REGULATIONS AND OTHER TRANSFER RESTRICTIONS	6
COMMERCIAL REGISTER AND OTHER SOURCES OF COMPANY INFORMATION	6
LEGAL FORMS OF COMPANIES	6
SECONDMENT OF EMPLOYEES	9
HIRING EMPLOYEES	10
ELECTRONIC INVOICING	11
PROCEDURES FOR COLLECTING PAYMENT	12
ENFORCING COMMERCIAL CONTRACTS AND RESOLVING DISPUTES	13
OVERVIEW OF PUBLIC PROCUREMENT SYSTEM	14
TAXATION	14
SOURCES OF INFORMATION AND CONTACTS	17

GENERAL REMARKS

This document provides an overview of the commercial law rules and regulations, particularly those relevant to Swiss SMEs operating from outside the destination country. It refers to the current state of legislation and, as far as possible, legal practice.

This document does not replace individual support from a specialist. It is strongly recommended to call on the services of a lawyer or accountant, for example.

CUSTOMS LAW AND DUTIES

Customs clearance

All goods you wish to export from Switzerland in commercial traffic must be declared to customs (see https://www.bazg.admin.ch/en/exportation-from-switzerland-information-companies). This declaration can be issued by you or by a forwarding agent/integrator.

An export requires a commercial invoice, packing list and export declaration. This export declaration is drawn up either by the exporter himself, via the Swiss customs website or software such as ETRANS, or by the forwarder at the shipper's request. If you do your own customs clearance, then you file the import declaration (DTE) with French customs, obtained after your export declaration has been scanned. The DTE must be kept for at least 10 years.

Since January 1, 2022, reverse-charge import VAT has been mandatory and automatic. This reverse charge procedure requires a French VAT number. If you don't have one, you can entrust all customs clearance formalities to a forwarder, who will advance the amount of duties and taxes (French VAT) and re-invoice them to you together with the costs associated with his service.

End of ad hoc tax representation in France: EU clearance

As a reminder, customs procedure 42 – or EU clearance – allows goods from outside the EU to be imported into a Member State exempt from VAT and their further transport to be then considered an exempt intra-Community supply. As of January 1, 2025, France has put an end to the use of ad hoc tax representation for imports under procedure 42. This change has a direct impact on companies not located in the European Union, such as Swiss firms, which previously used this mechanism to import goods VAT-free via France.

Specifically, non-EU companies, such as Swiss firms, can no longer appoint an ad hoc tax representative to carry out VAT-free imports into France. France now requires the following:

- full VAT registration in France;
- the appointment of an accredited tax representative, authorized to fulfill all reporting obligations.

This change is part of a desire to strengthen tax controls and align French practices with those of other Member States.

To see what is still allowed and the alternatives, please visit the S-GE page Export Knowhow and RES - Taxe sur la valeur ajoutée | bofip.impots.gouv.fr.

Declaration of origin for products originating under the Swiss-EU Free Trade Agreement

If the amount of your invoice does not exceed **CHF 10,300 or EUR 6,000,** you need only make a **declaration of origin on the invoice**, by issuing an invoice free of tax (Export 0% VAT), and mentioning the following attestation of origin, if the materials are indeed of Community origin (information available from your customs office): “The exporter of the products covered by this document declares that, unless clearly indicated to the contrary, these products have the preferential origin Switzerland” (or EU.), specifying Place, Date and Handwritten Signature (Indication in full of the name of the person signing the declaration).

If the value of your invoice exceeds CHF 10,300 or EUR 6,000, you must complete a **EUR 1 movement certificate** or be an approved exporter**.** This proves the Community origin of the goods. Information on the use or establishment of proofs of origin can be obtained from the customs district directorates of Basel, Schaffhausen, Geneva and Lugano, as well as from the Swiss Chambers of Commerce and the Liechtenstein Chamber of Commerce and Industry.

Approved exporters may continue to declare goods on their invoices, stating their exporter number, with no limit on the value.

Instructions for preparing and using proofs of origin.
Webinar - Preferential origin

Customs clearance of samples and demonstration material for trade fairs (ATA carnet) - Temporary export

This international customs document allows equipment and goods to be temporarily stored in several successive countries that have signed the **ATA Convention**, with a deposit required at each border crossing. Recognized in over 75 countries, it is valid for one year and can be used for several border crossings.

ATA carnets can be obtained from Chambers of Commerce and Industry. Entry fees must be guaranteed by the issuing office.

In Switzerland, the Chambers of Commerce and Industry provide information on the requirements for obtaining an ATA Carnet

Please note: **machinery** (e.g. construction equipment) **cannot** be exported under cover of an **ATA Carnet**.

On June 1, 2026, the digital ATA Carnet (eATA) was introduced in 30 countries, including Switzerland and France.

Swiss customs:
https://www.bazg.admin.ch/en/exportation-from-switzerland-information-companies

French customs:
http://www.douane.gouv.fr/articles/a10856-carnet-ata-admission-temporaire-temporary-admission

IMPORT REGULATIONS / NON-TARIFF RESTRICTIONS

Safety and security formalities: ICS2 and ENS

The EU Import Control System 2 (ICS2) is the EU system for the advance submission of safety and security information and for the related risk analysis. Where the formalities apply, an Entry Summary Declaration (ENS) must be submitted before goods enter the customs territory of the European Union. The transport carrier or its representative is generally responsible for the ENS formalities, although other parties in the logistics chain, such as freight forwarders and logistics providers, may also be involved and may submit data under the applicable filing arrangements.

Bilateral trade between Switzerland and the European Union benefits from an exemption from the EU ICS/ENS formalities under the EU–Switzerland customs security arrangements. This exemption concerns bilateral trade between the EU and Switzerland. For consignments involving a third country or a movement through Switzerland that is not covered by the bilateral arrangements, the applicable customs-security requirements should be confirmed separately.

The ICS/ENS exemption does not necessarily remove all French import formalities. Where non-Union goods are introduced into and unloaded or transhipped in France, French formalities for the presentation of goods and temporary storage may still apply, including the notification of presentation and the temporary storage declaration.

Swiss exporters should therefore confirm the applicable requirements with their carrier, freight forwarder or customs representative before dispatch.

Sources:
https://www.douane.gouv.fr/fiche/les-formalites-davant-dedouanement-antes-et-ics2
https://taxation-customs.ec.europa.eu/customs/customs-security/import-control-system-2_en

For more information on traffic restrictions or bans on certain goods:
https://www.douane.gouv.fr/fiche/restriction-de-circulation-ou-interdiction-de-certaines-marchandises

PRODUCT REGISTRATION AND TECHNICAL STANDARDS

Product Registration

Competent national bodies:

- INPI (Institut national de la propriété industrielle): for patents, trademarks, models and industrial designs: http: //www.inpi.fr.
- AFNIC (Association française pour le nommage internet en coopération): to declare a ".fr" Internet domain name: https://www.afnic.fr/
- SACEM (Société des Auteurs, Compositeurs et Editeurs de Musique): deals with everything to do with the declaration, protection and management of musical works: http://www.sacem.fr

- SNAC (Syndicat National des Auteurs et Compositeurs de Musique): defends the interests of authors and composers of music, as well as those of creators of comic strips, stage directors, theater, etc. http://www.snac.fr
- SACD (Société des Auteurs et Compositeurs Dramatiques): a collective management company whose mission is to collect and distribute royalties: http://www.sacd.fr
- SGDL (Société des Gens de Lettres): defends authors of the written word: http://www.sgdl.org
- SCAM (Société Civile des Auteurs Multimédia): brings together directors, interview and commentary writers, writers and translators: https://www.lascam.fr/

Standards, Technical Provisions, Marking

In France, it is appropriate to distinguish between certification and regulation standards.

Standardization

The purpose of standardization is to provide reference documents, developed by consensus, relating to rules, recommendations and good practices. The standards system is a voluntary and contractual application regime but can be made mandatory in certain areas related to safety, health and the environment:

- AFNOR[1](Agence Française de Normalisation)
- CENELEC[2] (Comité Européen de Normalisation)
- ISO[3] (Organisation Internationale de Normalisation)

Certification

It is a procedure by which a third party, the certification body, gives written assurance that an organizational system, a process, a person, a product or a service complies with the requirements specified in a standard (certification standard).
Example: ISO 9001 certification is a system certification (quality system) attesting to compliance with the requirements of the **NF EN ISO 9001** standard in terms of quality management.

Regulation

The regulation includes all laws, regulations, directives or recommendations governing an activity at the French or European level.
Example: **Directive 2003/121/EC** relating to sampling methods and analysis methods for the official control of maximum levels for certain contaminants in foodstuffs

[1] http://www.afnor.org
[2] https://www.cencenelec.eu/
[3] https://www.iso.org/home.html

CURRENCY REGULATIONS AND OTHER TRANSFER RESTRICTIONS

Cash (banknotes, coins), bearer negotiable instruments (checks, traveler's checks, money orders, promissory bills, etc.), gold and prepaid cards worth **10,000 euros** or more (or its foreign currency equivalent), carried by one person, must be declared to customs.

Source: https://www.douane.gouv.fr/demarche/vous-voyagez-avec-de-largent-liquide-especes-instruments-negociables-au-porteur-or-cartes

COMMERCIAL REGISTER AND OTHER SOURCES OF COMPANY INFORMATION

Since 1 January 2023, the INPI has operated the Single Window for business formalities and the French National Register of Enterprises (RNE). The Single Window is the mandatory online entry point for business creation, modification and cessation formalities. RNE data, including information on registered businesses, is available through the Data INPI portal: https://data.inpi.fr/

LEGAL FORMS OF COMPANIES

Companies wishing to market their products in France can:

- create a stable commercial structure (branch or subsidiary)
- set up a lighter structure to test the market initially: liaison office, also known as a representative office
- Use a sales agent

Branch

This is a secondary establishment opened by a parent company based in a country other than France, to facilitate the geographical extension of its activities and customer relations. Its activity corresponds to that of the parent company, and is carried out in premises that are geographically distinct from those of the parent company. It is managed by a parent company representative with authority to deal with third parties. It has its own customers who deal directly with it. But it always acts on behalf of the parent company.

The branch has no legal autonomy or legal personality of its own, but must be registered as a secondary establishment in the Commercial Register (RCS). It has no assets legally distinct from those of the parent company, which is financially liable for all its assets (domestic and foreign) and for commitments made in connection with the branch. The rights acquired by the branch directly benefit the parent company.

Its profits are taxed in the country of establishment, in accordance with the rules of the Convention between Switzerland and France for the avoidance of double taxation. The branch must keep its own accounts, even though it has no specific assets separate from the company to which it is attached.

In principle, branch employees are subject to French labor law.

Subsidiary

A subsidiary has its own legal personality, distinct from that of the parent company. It therefore has its own assets. It acts in its own name. Risks are limited, since the parent company is in principle not liable for the debts of its subsidiary, and vice versa. Profits made by the subsidiary are taxed under French law. The tax base and tax rate on profits are of course determined in the same way as for any other French company.

When a company carries out cross-border transactions with its subsidiaries or parent company, it is obliged to charge prices identical to those it would have charged an independent company, in accordance with the so-called “arm's length” principle. To prevent disputes arising from difficulties in applying this rule, particularly for SMEs, the tax authorities have introduced a preliminary procedure for requesting agreement on an intra-group price. This procedure is not compulsory, but is designed to resolve difficulties encountered by cross-border groups as a preventive measure.

In terms of employment, the subsidiary's employees are in principle subject to French labor law.

Bureau de liaison

The Liaison Office is above all an ideal observation post for the foreign parent company. It will enable it to make local contacts with various interlocutors (potential customers, suppliers, etc.), provide it with information, ensure its communication and publicity, and so on.

The office cannot conclude contracts in the name and on behalf of the parent company, as its purpose is not to carry out commercial activities. Its sole role is to act as a go-between, preparing for the negotiation of commercial contracts between the foreign company and the customers it contacts. Invoices and contracts must be sent and signed by the foreign parent company.

The liaison office is a lighter, more flexible structure than the branch office. Nevertheless, if it carries out any commercial activity, however small, it will be treated as a permanent establishment as defined in the Convention between Switzerland and France for the avoidance of double taxation, and therefore subject to the same legal, fiscal and financial obligations as a branch.

As the office has no legal personality of its own, if it runs into financial difficulties, the parent company will be liable for its debts.

If employees are employed in a liaison office that is not registered with the RCS, the employer (or a representative resident in France appointed by the employer) must complete the formalities and pay the contributions to a single body that manages foreign companies without an establishment in France: Urssaf Alsace - Centre National Firmes Etrangères.

The foreign company can claim reimbursement of the VAT charged on the costs of setting up and financing the liaison office (Directive 2008/9/EC). Since it does not carry out any professional activity, it is not subject to the Contribution Economique Territoriale (CET) or the Cotisation Foncière des Entreprises (CFE). It may pay property tax on the premises it occupies.

If the activity of the liaison office is not limited to prospecting or advertising, and the tax authorities deem that it corresponds to that of a branch, the foreign company will be subject to all French commercial taxes and VAT.

Sales agent

A foreign company may appoint a commercial agent established in France without setting up a French branch, subsidiary or liaison office.

A commercial agent is an independent intermediary who, on a permanent basis, negotiates and, where authorised, concludes contracts for the sale, purchase, lease or provision of services in the name and on behalf of the principal. The agent is not an employee and may represent one or more principals, provided there is no conflict of interest.

The agent is generally remunerated wholly or partly by commission. Upon termination, the agent is in principle entitled to compensatory indemnity for the loss suffered, subject to statutory exceptions, including serious misconduct.

Sources:

French Commercial Code, Articles L134-1 et seq.

Fédération Nationale des Agents Commerciaux (FNAC)

Formalities for setting up a business in France

In France, the time required to set up a company is very short. The administrative formalities involved in setting up a company have been considerably simplified, and the entire procedure can now be carried out electronically.

All the formalities involved in setting up a company are carried out by the INPI, which sends all the documents required to set up, modify or close a business to the relevant authorities on behalf of the company:

- The clerk's office of the commercial court, which, on receipt of the file, issues a receipt for the creation of a company (enabling acts to be carried out for a company in formation), followed by the registration extract for the trade and companies register, known as the K-bis,
- The Institut National de la Statistique (Insee), which assigns the APE code corresponding to the company's activity, and the Siren (company identification number) and Siret (establishment number) numbers needed to recruit employees,
- Tax authorities (tax center) and social security authorities (including the Urssaf social security and family allowance contribution collection unions).

Certain formalities are not handled by INPI:

- Applications for authorization for regulated professions, licenses or registration with professional orders (lawyers, chartered accountants, architects, doctors, etc.),
- Registering a “.fr” Internet domain name with the AFNIC,
- Registering the company with an insurance company,
- Joining an employee pension fund (mandatory within three months of registration),
- All employee recruitment formalities must be carried out with URSSAF, by submitting a single declaration of employment.

Registration of the company with the RCS (Registre du Commerce et des Sociétés) takes just a few days. The cost of administrative formalities is around €90, plus the cost of advertising in legal gazettes (around €300).

To find out more and register your company online: https://www.inpi.fr/

Joint Venture

To penetrate a market more quickly and easily, and reduce certain risks, a company may prefer to team up with a local partner rather than set up a branch or subsidiary on its own. The use of a joint venture lends a certain “national legitimacy” to the establishment. The local partner also provides a better knowledge of the market, government practices and competitors. Under French law, the joint venture is not specifically defined by law. In fact, it refers to any form of cooperation between companies, which can take many different forms.

At the origin of any association between companies, there is always a contract setting out the essential terms of this cooperation. When the cooperation is intended to last, the partners may also wish to rely on a legal structure (company or economic interest group or EIG). The structure of a joint venture can be either contractual only (collaboration contract), or both contractual and corporate (collaboration contract + joint subsidiary).

Collaboration contract

This provides the framework for the joint operation, and contains at least the following information:

- Definition of the objectives of the joint operation: this will be very useful in the event of a dispute over the interpretation of a clause,
- Procedures for setting up and operating management committees,
- Withdrawal clauses setting out the terms and conditions for the departure of one of the partners,
- Unpredictability clauses: these provide for revision of the terms of the contract in the event of unforeseeable external events upsetting the economics of the contract,
- Contributions of each party to the agreement: commitment to meet the financial needs of the operation through advances, loan guarantees, technology transfer and profit sharing,
- The means of settling any disputes: by amicable means (expert appraisal, conciliation) or by arbitration. We recommend that you specify the applicable law and include a clause conferring jurisdiction on a court of law.

Profits are divided between the companies according to a breakdown defined in the contractual agreement. Each partner is then taxed on his or her share of profits in accordance with the rules of the tax legislation applicable to the location.

In principle, employees of a company set up as part of a joint venture are subject to the labor laws of the country in which the company is based.

SECONDMENT OF EMPLOYEES

Companies established outside France may temporarily post employees to France to provide services. They must comply with the mandatory French employment rules applicable to posted employees, including rules on remuneration, working time, paid leave, and health and safety. These rules apply for the first 12 months, or up to 18 months if the employer submits a reasoned notification.

Unless an exemption applies, the foreign employer must submit a prior posting declaration through the SIPSI online service and appoint a representative in France for the duration of the posting. The French client or principal contractor must verify that these formalities have been completed.

Posted employees may remain covered by the social security system of their country of origin if the applicable rules are fulfilled. Within the EU, the EEA and Switzerland, a Portable Document A1 generally certifies this coverage for up to 24 months.

Further information:

- French Ministry of Labour – Posting of employees
- SIPSI – Prior declaration of posting
- S-GE – Posting workers

HIRING EMPLOYEES

If you are hiring a French employee (resident in France) to carry out work on French territory, and the company has neither a head office nor an office in France, then:

- A Déclaration Préalable à l'Embauche (DPAE) is required; this formality must be completed by the employer no earlier than 8 days before the hiring date.
- The employee is subject to French legislation (labor law and the collective agreement applicable to the branch of activity concerned); the Social Security Code stipulates that the employer is responsible for fulfilling social obligations in respect of the employment of salaried staff, and social security contributions are collected by URSSAF (www.urssaf.fr).
- The employee benefits from French social protection, which covers the contributor and any family members. As far as old-age insurance contributions are concerned, the periods contributed in France are validated and totalized at the end of the career. You should also take out supplementary health insurance with a private organization.

If you're looking for temporary work in France, you'll need to use a temporary employment agency, with whom you'll sign a “contrat de mise à disposition”. There is no contract of employment between you and the temporary worker. Remuneration conditions are managed entirely by the agency. Companies can only use temporary staff for a limited number of reasons (replacement, temporary increase in activity, temporary jobs by nature).

Membership of a Caisse de Retraite Complémentaire is compulsory. There are many such professional funds. Further information is available at www.service-public.fr.

Labor law and collective agreements in France

The French Labor Code and industry-specific collective bargaining agreements can be consulted and downloaded at www.legifrance.gouv.fr.

Points to watch

When hiring French employees (domicile and performance of work in France) points must be considered:

- The employment contract must comply with French law. Particular attention is drawn here to termination

- Social security costs must be paid in France in accordance with French conditions

It is recommended that you obtain detailed information before signing the contract to ensure that the contract is drawn up correctly and is legal.

Staff Costs

- Gross annual salary for sales staff: €34,000–€40,000 as a market estimate, depending on the position, experience and applicable collective agreement.
- Statutory minimum wage: Employees must receive at least the applicable French minimum wage (SMIC), unless a higher collective-agreement minimum applies (€1,867.02 gross per month, or €12.31 gross per hour).
- 13th-month salary and bonuses: Not generally mandatory. They are payable only where provided for by a collective agreement, the employment contract, an established practice or an employer commitment.
- Employee social-security contributions: Deducted from the employee's gross salary. The applicable amount varies according to the employee's situation (~ Employee social costs (included in gross salary) ca. 23-24%).
- Employer's total employment cost: Gross salary plus employer social-security contributions and other mandatory employer costs (~ +44-47% social costs 34-40 k€ +Ø 45.5% = 49.5-58.2 k€/year).
- Statutory severance indemnity in the event of dismissal: An eligible employee with at least eight months of continuous service is generally entitled to at least one quarter of a month's salary per year of service for the first ten years, and one third of a month's salary per year thereafter. More favourable provisions may apply under the relevant collective agreement.

ELECTRONIC INVOICING

The obligation for companies established in France to issue and receive electronic invoices is being phased in **from 1 September 2026**.

From 1 September 2026, all companies subject to VAT in France, regardless of their size, must be able to receive electronic invoices. The obligation to issue electronic invoices will be phased in according to the size of the company.

The reform applies primarily to B2B transactions between VAT-taxable businesses established in France that fall within the scope of French e-invoicing rules.

RECEIVING

From 1 September 2026, all companies subject to VAT in France must be able to receive electronic invoices, in particular invoices issued by large companies and medium-sized companies (ETIs), which are required to issue electronic invoices from that date.

To receive electronic invoices, each company must select an approved platform (plateforme agréée), registered with the French tax authorities. The platform selected by the company will be recorded in the central directory maintained by the French tax administration, which enables the identification of the platform through which the company receives its invoices.

The French tax authorities publish and regularly update the official list of approved platforms. Companies are free to choose the platform that best fits their accounting, financial and IT requirements.

The approved platform acts as an intermediary for the transmission and receipt of electronic invoices. It also ensures the transmission of the relevant invoice, transaction and payment data to the French tax authorities, where required.

Companies should therefore assess the available platforms and select one that is compatible with their accounting and financial systems and processes. The commercial terms, including fees and contractual arrangements, vary from one platform to another.

ISSUING

The obligation to issue electronic invoices will take effect:

- on 1 September 2026 for large companies and medium-sized companies (ETIs).
- on 1 September 2027 for small and medium-sized companies (SMEs) and micro-enterprises.

Electronic invoices must be transmitted through an approved platform. The platform used by the supplier and the platform used by the customer may be different, as the platforms are designed to interoperate with one another.

Under the French reform, the three formats forming the required technical foundation for electronic invoices are:

- Factur-X;
- UBL (Universal Business Language);
- CII (Cross Industry Invoice).

A PDF invoice sent by email alone does not constitute an electronic invoice within the meaning of the reform. The electronic invoice must contain the required structured data and be transmitted through an approved platform.

PREPARING FOR THE TRANSITION

In order to be ready with this major change, companies must identify the parties affected by this reform and assess the situation to determine what changes need to be made. Companies will also need to adapt their invoice processing procedures and choose a platform for receiving electronic invoices. These changes will need to be integrated into the company's invoicing and accounting systems.

The reform may therefore require changes not only to invoicing processes but also to the organisation and systems used by groups with French subsidiaries.

To this end, the Electronic Invoicing Task Force of the Directorate-General of Public Finances (DGFIP) has published explanatory sheets and FAQs for SMEs and micro-enterprises. A page entitled ‘I'm switching to electronic invoicing’ is also available on impots.gouv.fr.

PROCEDURES FOR COLLECTING PAYMENT

Payment terms

Payment terms between professionals are governed by article L. 443-10 et seq. of the French Commercial Code. In principle, the period agreed between the parties for payment of sums due may not exceed sixty days net from the date of issue of the invoice or, by way of derogation, 45 days end

of month, provided that this derogation is included in the contract and does not constitute a manifest abuse to the detriment of the creditor. A summary of the rules can be downloaded from the French Ministry of the Economy website:

https://www.economie.gouv.fr/dgccrf/Publications/Vie-pratique/fiches-pratiques/Delais-de-paiement

Lump-sum compensation and late payment penalties

To combat late payment in commercial transactions, a flat-rate indemnity for late payment has been introduced, the amount of which must be mentioned in the general terms and conditions of sale and on the invoices of French companies. Article D. 441-5 of the French Commercial Code sets the flat-rate indemnity for collection costs at 40 euros. In addition, late payment penalties are due in the event of late payment. The penalty rate may not be less than three times the legal interest rate (i.e. 8,25% for the 2nd quarter of 2026). In the absence of any contractual stipulation on this point, the rate of these penalties corresponds to the half-yearly key rate (refinancing rate or Refi) of the European Central Bank (ECB), in force on January 1 or July 1, increased by 10 points. Finally, the duration of goods verification and acceptance procedures is limited.

ENFORCING COMMERCIAL CONTRACTS AND RESOLVING DISPUTES

Commercial law is codified in the Commercial Code (hereinafter “Ccom”).[4] Le The Code begins by defining the act of trading, the trader and the general obligations of traders. It then goes on to define a number of specific commercial activities, such as the commercial agent. The merchant's professional assets are governed by the rules governing goodwill (article L. 141-2 et seq. of the Ccom)[5] and leases are subject to the status of commercial leases (article L. 145-1 et seq. of the Ccom).[6] Recently, detailed provisions on the protection of business secrecy have been introduced into the Code (article L. 151-1 et seq. of the Ccom).[7].

The French Commercial Code devotes an important section to freedom of pricing and competition (article L. 410-1 et seq. of the Ccom).[8] An additional section is devoted to trade bills (article L. 511-1 et seq. of the Ccom). [9]

The act of trading can be proven by any means, and the common law limitation period is five years. However, there are a number of exceptions.

Disputes between merchants (including those between trading companies) fall within the jurisdiction of the consular courts, the commercial courts in the first instance (article L. 710-1 et seq. of the Ccom). [10]

In light of the heavy caseload in the courts, alternative dispute resolution methods are available. These mechanisms allow the parties to reach an amicable settlement, with the assistance of a third party, without a judge imposing a decision. In some cases, alternative dispute resolution is mandatory before a case can be brought before a judge. In addition to these existing mechanisms, a new one has been introduced: the amicable settlement hearing. It allows the judge, without recusing themselves from the case, to propose to the parties a hearing dedicated to reaching an agreement.

[4] https://www.legifrance.gouv.fr/codes/texte_lc/LEGITEXT000005634379
[5] https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000005634379/LEGISCTA000006133174/#LEGISCTA000006133174
[6] https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000005634379/LEGISCTA000006146040/#LEGISCTA000006146040
[7] https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000005634379/LEGISCTA000037266547/#LEGISCTA000037266547
[8] https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000005634379/LEGISCTA000006113741/#LEGISCTA000006113741
[9] https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000005634379/LEGISCTA000006113742/#LEGISCTA000006113742
[10] https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000005634379/LEGISCTA000006113745/#LEGISCTA000006113745

OVERVIEW OF PUBLIC PROCUREMENT SYSTEM

The PLACE platform (Plateforme des achats de l'État) is the French State's e-procurement platform. It enables companies to consult and respond to procurement procedures issued by central and regional State administrations, State public institutions and certain other public entities. Depending on the procedure, companies can access the consultation documents, ask questions and submit their applications and offers electronically, in accordance with the requirements and deadlines set out in the procurement documents.
For a broader search of public procurement opportunities, companies can also consult the BOAMP, which covers procurement notices issued by the State, local authorities and their public institutions
PLACE platform: https://www.marches-publics.gouv.fr/entreprise
BOAMP: https://www.boamp.fr/

TAXATION

Companies established and taxed in France are subject to various commercial taxes or specific taxes linked to the sector of activity. The information given below concerns only the main taxes, i.e., corporate tax and Value Added Tax (VAT).

The information and rates given below are subject to change depending on the Finance law passed by Parliament each year.

In the case of international groups, a declaration of the transfer pricing policy must be made to the tax authorities once the group reaches a certain size.

Corporate tax under the European standard

Corporate Tax is calculated on profits. As in other countries, there may be a difference between the accounting profit and the taxable profit used to calculate tax.

As soon as a foreign company carries on an activity in France that generates profits, these profits are taxed in France (principle of territoriality). This rule applies regardless of the type of operation: subsidiary, branch or permanent establishment.

In the case of a branch or permanent establishment that does not have a separate legal personality, the result of the activity in France is reconstituted on the basis of the accounts of the foreign company.

The concept of permanent establishment is defined in each tax treaty as a fixed place of business.

For example, a foreign company that sends one of its employees to France to prospect the French market is not likely to be recognised as a permanent establishment in France. However, if the employee signs contracts in France in the name and on behalf of the foreign company, there is a permanent establishment in France that is liable for corporate tax derived from this activity in France.

Corporate tax rates

In France, **corporate tax** is based on the company's taxable income. For financial years starting after 1 January 2022 and subject to certain conditions, the rate is **15% for profits up to €42,500** and **25%** for the portion in excess **of €42,500.** [11].

If there is a tax loss, this can be carried forward for an unlimited period. However, there is a ceiling per year on the amount of the tax loss that can be carried forward and offset against future profits.

Special case: taxation of the holding company in France

Setting up a holding company in France can facilitate the distribution of dividends within a group and may improve the group's cash-flow and investment capacity. Under the French parent-subsidiary regime, dividends received by a French holding company from a subsidiary in which it holds at least 5% of the capital may benefit from a 95% exemption from French corporate income tax, subject to the applicable conditions. The remaining 5% constitutes a taxable share of expenses and charges, resulting in an effective tax burden of 1.25% on the dividends at the standard French corporate income tax rate of 25%.

The French reduced corporate income tax rate of 15% may also apply to the first €42,500 of taxable profit, provided that the applicable conditions are met, including the conditions relating to the company's turnover and, where applicable, the turnover of the group to which it belongs.

Dividends paid by a French subsidiary to a Swiss parent company may benefit from an exemption from French withholding tax where the conditions of the France-Switzerland tax treaty are met. In particular, the Swiss parent company must generally hold, directly or indirectly, at least 10% of the capital of the French subsidiary and be the beneficial owner of the dividends. The exemption is also subject to applicable anti-abuse provisions and procedural requirements.

Reasearch tax credit (CIR)

The French Research Tax Credit (Crédit d'impôt recherche – CIR) is calculated at 30% of eligible research expenditure up to €100 million and 5% of the expenditure exceeding that threshold. The company is not generally required to commercialise the results.

Eligible research activities include fundamental research, applied research and experimental development. Experimental development must aim to create new products, processes, systems or services, or to substantially improve existing ones. The work must address scientific or technical uncertainties and cannot consist merely of applying existing techniques.

Eligible companies subject to French corporate income tax or income tax may claim the CIR for qualifying research expenditure, subject to the applicable conditions. The rate depends on the amount of eligible research expenditure.

The CIR is claimed through the electronic tax form no. 2069-A-SD[12]. Additional information may be required for companies incurring more than €10 million in eligible research expenditure.

Sources:

French Tax Administration – Research Tax Credit

French Tax Administration – CIR declaration and control

https://www.service-public.fr/professionnels-entreprises/vosdroits/F23533

[11] https://entreprendre.service-public.fr/vosdroits/F23575
[12] https://www.impots.gouv.fr/formulaire/2069-a-sd/credit-dimpot-en-faveur-de-la-recherche

Value Added Tax (VAT)

As a general rule, VAT is declared and paid to the French tax authorities in the same place: Service des Impôts des Entreprises (SIE)**. Declarations and payments must be made electronically via « impôts.gouv.fr ».** The site must be configured when the company is launched.

The applicable rates in mainland France (other rates in overseas territories) are:

- The standard rate of **20%** (since 1 January 2014)
- The intermediate rate of **10%** (since 1 January 2014): this applies in particular to transport, accommodation in hotels, furnished lets or classified campsites, renovation and maintenance work on homes over 2 years old, restaurants, non-refundable medicines, entrance fees for cinemas, funfairs, museums, cultural sites, exhibitions, etc.
- The **5.5%** rate for products and services considered to be basic necessities, in particular certain foodstuffs, services and equipment for disabled or dependent elderly people, school canteens, electricity and gas subscriptions.
- The rate is **2.1%**, particularly on reimbursed medicines and the press.

As far as **deductible VAT** is concerned, it should be noted that VAT on certain expenses is not deductible, such as employee housing or expenditure on cars (purchase, hire, repairs, etc.).

Swiss companies not established in France that provide services to private individuals must appoint a **tax representative** who will be responsible for invoicing, declaring and paying VAT. [13]

A Swiss company can **reclaim VAT** if it does not carry out any transactions subject to VAT in France. You will need to complete an electronic refund application form, in French and in euros. You must appoint a tax representative who must be a taxable person for VAT purposes established in France, duly known to the tax authorities, and attach to your application a mandate, signed by your company and your representative, authorising the latter to submit claims on your behalf.

All the information you need can be found at: http://www.impots.gouv.fr

[13] https://bofip.impots.gouv.fr/bofip/2850-PGP.html/identifiant=BOI-TVA-DECLA-20-30-40-10-20220119

SOURCES OF INFORMATION AND CONTACTS

Switzerland Global Enterprise
Stampfenbachstrasse 85
8006 Zürich
Tel.: +41 44 365 51 51
Email: info@s-ge.com
Internet: https://www.s-ge.com

The **ExportHelp** team is your first point of contact for export-related administrative questions:
https://www.s-ge.com/en/exporthelp

Swiss Business Hub France
Ambassade de Suisse
142, rue de Grenelle
75007 Paris
France
Tel.: +33 1 49 55 67 85
Email: paris.sbhfrance@eda.admin.ch
Internet: https://www.s-ge.com/export/en/countries/france
https://www.schweiz-frankreich.eda.admin.ch/fr/representation-swiss-business-hub

The Swiss Business Hub France (SBH France) is part of the Swiss Embassy in Paris. It supports SMEs from Switzerland and Liechtenstein in their business development in France and provides French companies with information on Switzerland as a business location. The SBH France also represents Switzerland Global Enterprise (S-GE), the official Swiss agency for export and investment promotion. It has access to in-depth market knowledge through a local network of experts in all sectors of the economy.

Date	September 4, 2026
Author:	Swiss Business Hub France
Author's address:	142, rue de Grenelle – 75007 Paris – France

Disclaimer: By using this document, the user agrees to this usage policy and the disclaimer. The use of information is expressly at user's own risk and responsibility. We do not assume any liability or guarantee that the information provided in this document is up to date, correct or complete. Nor do we assume any liability for loss or damage caused by downloading and using our information and content.

The document may contain also various links leading to third-party websites or documents. We assume no responsibility for any loss or damage sustained by the user as a result of any violation of legal requirements by third parties linked to this document. In addition, we assume no liability or guarantee for the content of third-party websites or documents that can be accessed from this document.

Copyright: The information published in this document comes from a wide variety of sources. These include third parties. The user may use the published information and content for his / her own purposes. Commercial distribution of the information and content to third parties is not permitted without the express written consent of the respective rights holder.

We may unilaterally change this usage policy and the disclaimer at any time without specific notification.