

FRANCE – HOTEL AUTHORITIES

NEW AUTHORITY GUIDE

THOMSON REUTERS TAX RESEARCH

MAY 2017 CONTENT UPDATE #1

Introduction

We have added 31 city level authorities and 9 departmental level authorities to support the Occupancy Tax for furnished accommodations without classification in France. The authorities have been added, including all rates, catch-all rules, and product taxability. This content update includes a selected number of jurisdictions. Subsequent updates will include the remaining authorities required to support the Occupancy Tax throughout France.

PART I – UPDATES TO DETERMINATION

New Authorities

The following are the authorities names added this month.

| AUTHORITY NAME | ZONE LEVEL |
|--|------------|
| FR - Aime la Plagne Taxe de Sejour | City |
| FR - Aix en Provence Taxe de Sejour | City |
| FR - Angers Taxe de Sejour | City |
| FR - Arcachon Taxe de Sejour | City |
| FR - Arles Taxe de Sejour | City |
| FR - Boulogne Billancourt Taxe de Sejour | City |
| FR - Bourg Saint Maurice Taxe de Sejour | City |

| AUTHORITY NAME | ZONE LEVEL |
|--|------------|
| FR - Brest Taxe de Sejour | City |
| FR - Clermont Ferrand Taxe de Sejour | City |
| FR – Colmar Taxe de Sejour | City |
| FR - Deauville Taxe de Sejour | City |
| FR - Dijon Taxe de Sejour | City |
| FR – Grasse Taxe de Sejour | City |
| FR - Grenoble Taxe de Sejour | City |
| FR - Huez Taxe de Sejour | City |
| FR - La Baule Escoublac Taxe de Sejour | City |
| FR - Lacanau Taxe de Sejour | City |
| FR - Le Mans Taxe de Sejour | City |
| FR - Les Allues Taxe de Sejour | City |
| FR - Les Belleville Taxe de Sejour | City |
| FR - Les Deux Alpes Taxe de Sejour | City |
| FR - Megeve Taxe de Sejour | City |
| FR - Morzine Taxe de Sejour | City |
| FR - Nimes Taxe de Sejour | City |
| FR - Perpignan Taxe de Sejour | City |

| AUTHORITY NAME | ZONE LEVEL |
|---|------------|
| FR - Rennes Taxe de Sejour | City |
| FR - Saint Bon Tarentaise Taxe de Sejour | City |
| FR - Saint Lary Soulan Taxe de Sejour | City |
| FR - Tignes Taxe de Sejour | City |
| FR - Val d'Isere Taxe de Sejour | City |
| FR - Versailles Taxe de Sejour | City |
| FR - Finistere Taxe Additionnelle | County |
| FR - Gard Taxe Additionnelle | County |
| FR - Hautes-Pyrenees Taxe Additionnelle | County |
| FR - Haut-Rhin Taxe Additionnelle | County |
| FR - Hauts-de-Seine Taxe Additionnelle | County |
| FR - Isere Taxe Additionnelle | County |
| FR - Pyrenees-Orientales Taxe Additionnelle | County |
| FR - Sarthe Taxe Additionnelle | County |
| FR - Savoie Taxe Additionnelle | County |

Zones

Zones have created and updated in the zone tree in our system to store the new authorities at the appropriate city and departmental level. For a complete list of zones created and updated as well as the authority attachments, please see the May #1 Change report.

Authority Options

All new authorities contain the same options.

| NAME | CONDITION | VALUE | START DATE | END DATE |
|----------------------------------|-----------|--------------------------|------------|----------|
| Tax Direction | - None - | No | 1/1/1901 | N/A |
| CR - Registration Requirement | Both | Registration Requirement | 1/1/1901 | N/A |
| PRL - Parent Registration Lookup | - None - | No | 1/1/1901 | N/A |
| Turn Off Authority | - None - | Yes | 1/1/1901 | N/A |

Rate and Fee Updates

The following rate and fee have been added in the city level authorities.

| RATE CODE | RATE DESCRIPTION | RATE / FEE | START DATE |
|-----------|----------------------|-------------------------|------------|
| NL | Not Liable | 0% | 1/1/2017 |
| TU | Unclassified Tourism | Fee varies by authority | 1/1/2017 |

The following rates have been added in the departmental level authorities.

| RATE CODE | RATE DESCRIPTION | RATE | START DATE |
|-----------|------------------------|------|------------|
| NL | Not Liable | 0% | 1/1/2017 |
| TA | Additional Tourism Tax | 10% | 1/1/2017 |

Catch-all Rules

The following catch-all rules have been added in the city and department level authorities.

| RULE ORDER | RATE CODE | TAX CODE | START DATE |
|------------|-----------|----------|------------|
| 5001 | NL | N/A | 1/1/2017 |
| 10000 | No Tax | N/A | 1/1/2017 |

Product Taxability Rules

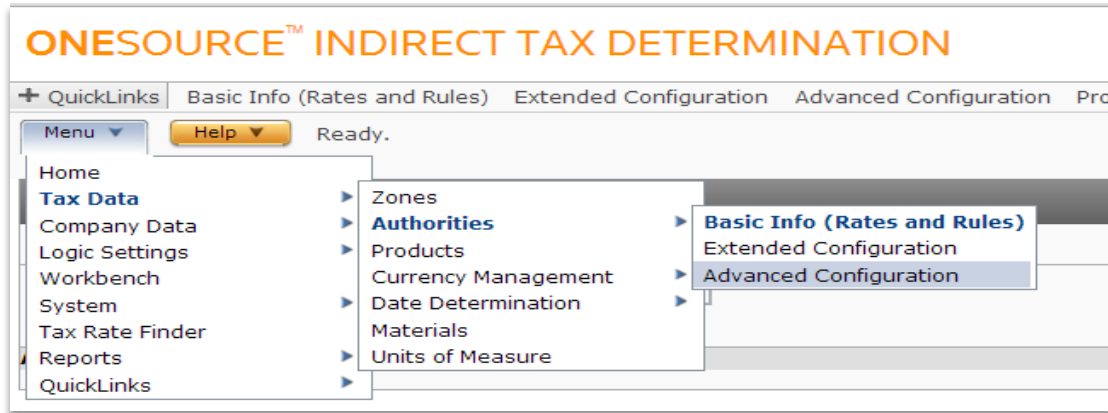
The following rule has been added on the default Harmonized Product Group with the noted effective date and has also been added to the city and department level authorities.

| RULE ORDER | RATE CODE | PRODUCT NAME | START DATE |
|------------|---------------------------------------|----------------------------|------------|
| 6899.7593 | TU or TA depending on authority level | S13.10 Private Home Rental | 1/1/2017 |

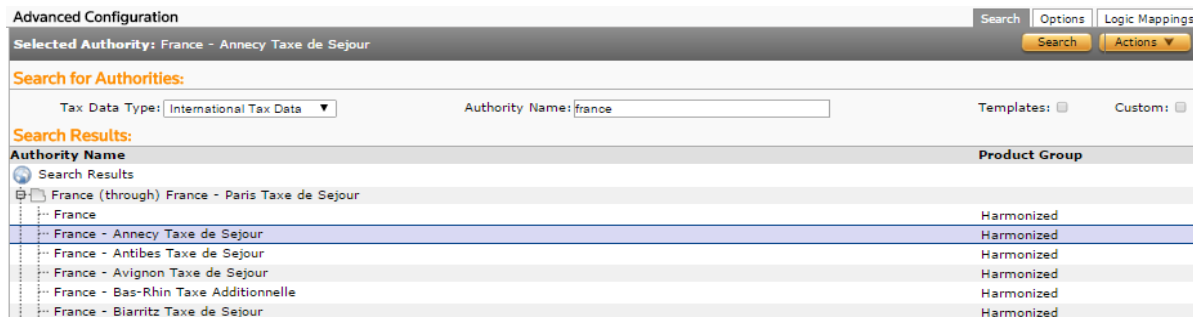
PART II – USING THE AUTHORITIES

Turning On the authorities

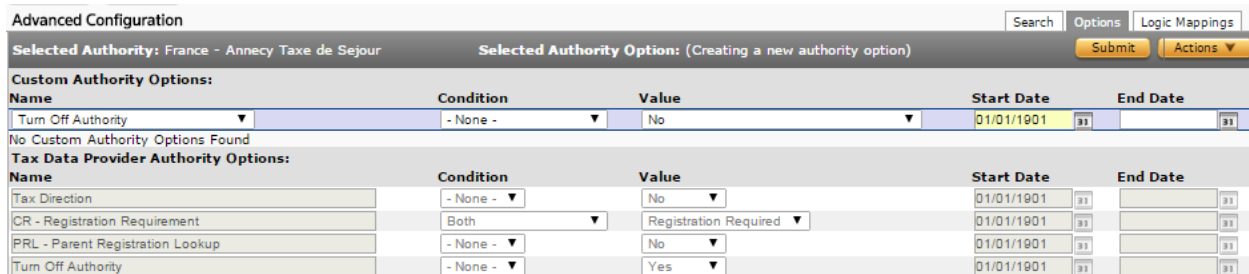
The hotel authorities are turned off by default. To turn it on, select Tax Data, then Authorities, then Advanced Configuration.



On the Advanced Search screen, select Search to find the hotel authority and select it.



Select the Options tab and then click the Actions button and select Add from the drop-down menu. Select the name of the option “Turn Off Authority” and set the condition to None, the value to No and the start date of 01/01/1901. The image below shows the selections.



PART III – TAX RESULT EXAMPLE

Test 1: Supply of unclassified furnished accommodation in the city of Aime la Plagne – Sale

| WORKBENCH ELEMENTS | VALUES |
|---------------------|---|
| Company Role | Seller |
| Transaction Type | Physical Performance |
| Supply | County: FR County: Savoie City: Aime la Plagne |
| Seller Registration | FRAA123456789 |
| Result | VAT exemption in France Taxe de Sejour in city of Aime la Plagne Taxe Additionnelle in department of Savoie |

The image shows the sale for the supply of unclassified furnished accommodation in the city of Aime la Plagne.

| View Results: 1 ▼ | Gross Amount: 1000.00 | Eff%: 0.083% | | | | |
|------------------------------------|------------------------------------|--|------|--------------|-----------------|-------|
| Zone | Authority | Invoice Desc | Type | Dir Fee Rate | Tax Amt | TT IT |
| Country: FRANCE | France | Exempted Private Home Rental (Article 261 D No 4 VATA) | S | O | 0.00 | |
| City: AIME LA PLAGNE | FR - Aime la Plagne Taxe de Sejour | Unclassified Furnished Accommodations | CA | 0.75 | 0.75 | |
| County: SAVOIE | FR - Savoie Taxe Additionnelle | Unclassified Furnished Accommodations | CA | 10% | 0.08 | |
| | | | | | 0.83 EUR | |
| [-] Authority Messages: | | | | | | |
| Authority | RuleOrder | Message | | | | |
| France | 6899.7593 | EUSPP2: Output VAT in Service location. | | | | |
| FR - Aime la Plagne Taxe de Sejour | 6899.7593 | CUSTAUTHSSU1: Taxe de Sejour | | | | |
| FR - Savoie Taxe Additionnelle | 6899.7593 | CUSTAUTHSSU1: Taxe Additionnelle | | | | |

It is important to bear in mind that the authorities created will only return the right result if the transaction type of “Physical Performance” is pass through the system. If another transaction type is passed the system will return a Not Liable result.

Please contact Customer Support with any questions.