

TAX MEASURES CONCERNING THE REIMBURSEMENT OF CORPORATE TAX CREDITS
AND VAT CREDITS

- March 25, 2020 -

The government has announced measures to address the VIDOC-19 epidemic that is having a significant impact on business activity.

In order to provide financial assistance to companies, the Ministry of Action and Public Accounts announced in a press release dated 22 March 2020 the possibility of requesting early repayment of corporate tax claims and a simplification of VAT credit repayment procedures.

EARLY REPAYMENT OF CORPORATE TAX CREDITS

Companies can now claim a refund of the corporate tax claims that are refundable in 2020, after deduction of the corporate tax for 2019 if applicable, without waiting for the filing of the profit and loss statement.

This mechanism applies to all tax credits that can be refunded in 2020 and in particular the tax credit for competitiveness and employment not yet allocated, the research tax credit, the tax credit for executive training, etc.

In order to benefit from this refund, companies must fill out form no. 2573 available on the professional area of the portal impot.gouv.fr.

They should also send with this form the declaration justifying the tax credit for which the refund is claimed and the statement of the balance of the corporation tax (failing which, the profit and loss statement).

PROCEDURE FOR REFUNDING VAT CREDITS

In addition, it was announced that the Directorate General of Public Finance will speed up the processing of applications for VAT credit refunds.

As of 22 March 2020, a simplified procedure is temporarily implemented for all refund claims below €500,000. This measure will therefore enable the tax administration to take decisions more quickly.

This simplified procedure will be effective until the end of the second month following the end of the measures restricting travel and prohibiting assembly or certain activities.

TAX MEASURES CONCERNING THE REIMBURSEMENT OF CORPORATE TAX CREDITS AND VAT CREDITS

- March 25, 2020 -

As a reminder, the refund application must be made when filing the VAT return showing this credit using form no. 3519 available on the professional area of the portal impot.gouv.fr. In order to benefit from this measure, companies must submit their refund application and the related VAT return within the legal deadlines.

Finally, we would like to point out that these urgent measures do not exempt the tax authorities from their right to carry out a posteriori controls.

ORCOM remains in contact with the contacts at the Directorate General of Public Finance and is at your disposal to provide you with the best possible support during this period.

The Tax Department