



MINISTRY FOR FINANCE AND PUBLIC ACCOUNTS

Press release

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Paris, 20 October 2015
No. 487

De Ruyter judgment: Information from the Directorate General of Public Finance (DGFiP) for residents and non-residents eligible for refund of social security contributions

The Conseil d'État ruling of 27 July 2015 on the de Ruyter case, following the judgment of 26 February 2015 by the Court of Justice of the European Union, has called into question the levying of social security contributions on capital income arising in France of individuals insured under a social security scheme in another Member State of the European Union (EU) or the European Economic Area (EEA) or in Switzerland, since the proceeds of these levies are intended to fund benefits to which only individuals insured under the French social security scheme are entitled.

It is therefore possible to appeal against such levies subject to the conditions set out below.

1 - Individuals and income concerned

These rulings apply to individuals insured under a social security scheme in Switzerland or an EU or EEA country other than France:

- For individuals domiciled in France: Social security contributions on all capital income taxable in France (investment income and income from assets) that are allocated to the budget for social security agencies;
- For individuals domiciled outside France: Social security contributions on income from real property in France (including capital gains) that are allocated to the budget for social security agencies.

It should be noted that the 2% solidarity levy payable prior to 1 January 2015 is not affected by the de Ruyter ruling inasmuch as it does not fund any branches of social security. Consequently, it cannot be refunded.

2 - Periods concerned

For taxpayers who have not yet applied to the tax authority, appeals submitted in 2015 will be admissible for the following periods:

- Capital gains from real property: Social security contributions levied from 1 January 2013;



- Levies based on assessment rolls (for income and capital gains from real property, for example): Levies for which assessments were issued after 1 January 2013;

- Investment income subject to a withholding tax: Social security contributions paid from 1 January 2013.

3 - Procedure for submitting appeals

- Individuals having paid social security contributions on capital gains from sale of real property: If they have not yet done so, they can now submit their appeals to the *département* directorate of public finance (*Direction départementale des finances publiques*) where their contributions were registered;

- Individuals having paid social security contributions on income from assets (real-property income, capital gains on securities, non-professional business income, etc.): They can submit their appeals to their local tax department (the individual tax department (*service des impôts des particuliers*) shown on the notice of assessment for residents in France or the individual tax department of the Directorate for Residents Abroad and General Services (DRESG) for non-residents). Appeals relating to 2014 income can be submitted once the 2015 notice of assessment has been received.

These appeals can be submitted through the 'Particuliers' ('Individuals') section on the Impots.gouv.fr website, under the heading 'Réclamer' ('Appeals'), or by post, attaching all the necessary documents.

In every case the appeal must be accompanied by proof of the amount of social security contributions in question, together with proof of the taxpayer's membership of a social security scheme in an EU or EEA country other than France or in Switzerland.

Moreover, for the purpose of checking whether the social security contributions in question were levied on income whose recipient was insured outside France, the appeal must include every piece of information enabling this recipient to be identified (individual property belonging to the person not insured under a French social security scheme, applicants' matrimonial property regime, property held in common by individuals insured and not insured in France, etc.);

- Social security contributions withheld at source on investment income, for example by credit institutions or insurance companies (savings accounts and passbooks paying regulated interest rates; dividends, interest, life insurance policies, etc.): The procedure for submitting appeals is currently being established and will be made public shortly.

For further information, taxpayers (residents and non-residents) can contact Impôts Service, Monday to Friday from 9am to 5pm (excluding public holidays), on +33 (0)8 12 04 00 95 (normal rate + €0.06/min).

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