Executive summary
Various new measures in respect of French income tax and social security are currently being discussed by the French Parliament. If introduced, these measures may affect individuals assigned to France from their home country, or French employees assigned abroad. It is anticipated that the measures will all come into force in the coming weeks or months.

Key points

**2013 French one off income tax reduction**
Taxpayers filing jointly who had taxable income in 2013 of less than EUR 28,290 will be entitled to a one-off EUR 700 income tax reduction.

Those filing separately and who had taxable income in 2013 of less than EUR 14,145 will be entitled to a EUR 350 tax reduction.

These thresholds will be increased to take into account any dependent children.

This measure will be voted on by Parliament in the coming weeks.

New social security agreements
The French Parliament has authorized the ratification of the social security agreements signed with Brazil on 15 December 2011, and with Uruguay on 6 December 2010.

It is not yet clear when these agreements will come into force as they are still to be ratified by Parliament.

Secondment of employees to France
A draft law regarding the secondment of workers to France was passed by the French Parliament on 26 June 2014.

The law is entitled “Fight against unfair competition” and aims to ensure that companies are applying the same work conditions (such as a minimum wage) to seconded workers as to domestic French employees, as required under EU regulations. Non-compliant companies may now also be publicly ‘blacklisted’ and have fines imposed.

Its main provisions can be summarized as follows:

- Enhancement of the requirement for foreign employers established outside of the EU to give advance notification of and track the secondment of foreign assignees to France.
- Increase of the financial, administrative and criminal penalties for foreign non-
compliant companies and their French clients.

- Information relating to seconded employees will need to be included in the annual social reports of the French companies.
- Trade unions will be authorized to act on behalf of foreign assignees before French employment tribunals.

Next steps
While the change in 2013 income tax legislation may be marginal for highly paid inbounds or tax equalized outbounds, employers welcoming foreign assignees working in France should be aware of the proposed changes to law regarding seconded employees from foreign companies based outside the EU, and ensure that they have processes in place to give advance notification of assignments to the French authorities and to properly track and report information pertaining to foreign assignees.