

EMPLOYERS WITH NO PLACE OF BUSINESS IN FRANCE

Edition 2013



***Social obligations
in France and
employee protection***

A system has been put in place enabling employers with no place of business in France to declare their company and their employees who are subject to the French social security system.

Under this system, companies must declare their employee status with the centre national firmes étrangères (CNFE), an entity within the Urssaf collection office of the Alsace region. The CNFE then transmits the information to the other relevant statutory social security institutions.

This guide includes essential information related to administrative formalities with these institutions, in particular :

- > the steps to take,
- > entitlements of employees subject to the French social security system.

Employers can appoint a representative by written agreement to carry out these responsibilities, provided that the person resides in France. The representative is personally responsible for declarations and payment.

The Urssaf network has been providing two online services since 2011 to simplify administrative formalities for employers.

For employers with no place of business in France :
the Titre firmes étrangères - TFE

For private individuals who are non-resident in France for tax purposes, a compulsory system :
the Titre particulier employeur étranger - TPEE*.

* See glossary page 18



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WHO IS CONCERNED ?



> Which employers ?

Employers with no registered place of business* in France (production site, commercial undertaking...) must register with this system.

The following companies do not come under this system :

- workers in the entertainment industry with no steady employment. They are covered by the Guso fund for entertainers, managed by the Pôle emploi services (www.guso.fr).
 - sales representatives with multiple employers who are covered by the CCVRP and the Omnirep > [Address details on page 20](#)
 - professionals in the bull-fighting sector (matadors, picadors, banderilleros...) who are covered by the Urssaf Languedoc-Roussillon (www.languedocroussillon.urssaf.fr).
- Undertakings registered in Monaco and all their employees are also excluded from this system and are covered by the Urssaf office in Nice (www.nice.urssaf.fr).

> Which employees ?

Employees working in France must be registered with the French social security system regardless of their nationality or place of residence.

Under certain bilateral Social security agreements, this principle does not apply.
For more information, please contact the Cleiss (Center of European and International Liaisons for Social security) : www.cleiss.fr

↻ NEW :

Employees of EU- or Swiss**-based companies who are posted to work in France or who are working both in France and in another EU Member State or performing work on behalf of other employers, should contact their health insurance provider to determine which legislation they are subject to.

* See glossary page 18

** Regulation (EC) No 883/2004 and Regulation (EC) No 987/2009 on the procedure for implementing Regulation (EC) No 883/2004

COMPULSORY SOCIAL SECURITY IN FRANCE

The employer must provide a pay slip to the employee, on which employee social contributions have been deducted from the gross amount.

Having calculated the employer and employee contributions due, the employer then pays these to the different compulsory social security institutions.

> CNFE - Social security

Collects social security contributions, unemployment contributions and contributions to the national housing aid fund (Fnal - Fonds national d'aide au logement) and, where required, transport contributions.

> See table page 9

> Humanis International

Collects supplementary pension contributions except for sales representatives*.

> IRCEM

Collects supplementary pension contributions payable by private individuals acting as employers.

For construction and public works companies



> CIBTP - IDF

Collects paid leave contributions, contributions to benefits for unemployment caused by bad weather conditions and contributions for the prevention of accidents at work.

* See glossary page 16

REGISTRATION AND DECLARATION FORMALITIES

The CNFE provides employers the necessary documents : for their registration and for reporting the employment of an employee.

> Company registration

The company must complete **the E0 form available online on www.net-entreprises.fr**, and send a printed version to the CNFE to register as an employer with employees who are subject to the French Social security system.

The company will be allocated an ID number ("SIRET") by the French national statistics institute INSEE. The SIRET number will be used during exchanges with all social protection agencies : CNFE, Humanis International and if necessary with the CIBTP - IDF.

Those agencies will contact the employer.

If there is a change of situation (change of address, of representative etc.), the employer must complete an **E2/E4 form**. This form must also be completed in case of employment stoppage, and send to the CNFE.

> **This form is available at www.net-entreprises.fr**

🔄 **PLEASE :** note that if the company opens a place of business in France, this system which is specific to employers with no place of business in France is no longer valid. In this eventuality, the employer must complete an E2/E4 form and send it to the CNFE.

> The employee's declaration of employment

The employer must complete a Declaration prior to hiring (DPAE - Déclaration préalable à l'embauche).

It can be made on : **www.net-entreprises.fr**

⊕ **It's even easier now !**

For businesses : **www.tfe.urssaf.fr** (see page 11)

> Wage declarations

Declaration forms

Declaration forms must be completed, dated, signed and sent to each institution before the indicated deadlines.

The following information must appear on these documents :

- the number of employees,
- the contribution basis in euros, which corresponds to the amount of wages subject to social contributions and other social taxes (gross wages inclusive of bonuses, various benefits, benefits in kind),
- the amount of contributions owed in euros, calculated according to the contribution rates and ceilings in force on the payment date of wages.

When to declare ?

The employer or the representative completes and sends :

> Each month or each quarter :

- declarations for each institution or the single "Déclaration unifiée des cotisations sociales" (Ducs) available.

> Each year :

- The Annual declaration of social data (DADS) to the Pension insurance and occupational health institution of Strasbourg (Carsat) and to Humanis International,
- the yearly table summarising contributions to the CNFE,
- the yearly adjustment declaration " Déclaration de régularisation annuelle " to Omnirep (for sales representatives).

Where necessary, for construction and public works companies, the " Déclaration automatisée des données sociale unifiées " to the CIBTP - IDF.

It can be made on : www.net-entreprises.fr



It's even easier now !

For businesses : www.tfe.urssaf.fr (see page 11)



> Paying contributions

Contributions must be paid to each institution before the payment deadline. They can be paid :

- by bank transfer,
- by check,
- by electronic payment at net-entreprises.fr, provided that the company has opened a bank account in France.

🔄 PLEASE :

note that bank fees may apply to transfers. Companies must make sure that the amount transferred to social security institutions equals the amount of contributions owed.

It's even easier now !

For businesses : www.tfe.urssaf.fr (see page 11)

With TFE you can pay all compulsory social contributions



> Summary of contributions and payments*

The table on page 9 summarises the contributions, covered risks, contributions basis, how often to pay and the different means of payment for each institution.

This procedure is simplified for companies as they can make their declarations free of charge via www.net-entreprises.fr

FOR FURTHER INFORMATION...

In French : www.net-entreprises.fr/Html/societes_etrangeres.htm

In English : www.net-entreprises.fr/Html/foreign_companies.htm

* Online simplified service TFE excluded

SUMMARY TABLE



Online simplified service *TFE excluded*

Institution	Centre national firmes étrangères (Urssaf Alsace)	Humanis*		CIBTP - IDF
Social contributions Other social taxes Covered risks	Sick leave, Maternity leave, Disability Death, Old age, Work-related accident, Occupational sickness, CSG and CRDS contributions, Family benefits, Living allowances, Unemployment contributions Housing benefits, Transport	Complementary pension scheme Arrco	Complementary pension scheme Agirc	Paid leave Bad weather unemployment benefits Prevention of work-related accidents
Contribution basis	For each risk, contributions are calculated as a percentage of the gross wage inclusive of bonuses, various benefits, benefits in kind... A minimum contribution basis is specified in French social legislation (minimum wage). For certain risks, the calculation basis is determined in reference to the Social Security ceiling.			
How often to declare	Quarterly up to 9 employees. Monthly from 10 employees. + a yearly summary sheet.	Quarterly + a yearly summary sheet		Monthly
Means of payment for contributions	Contributions can be paid by bank transfer, check or electronic payment provided that the company has a French bank account.			

* For VRP (sales representatives) : Malakoff Médéric Omnirep/VRP department

Pursuant to Article 7 of the national collective agreement of 14 March 147 on executives' retirement and pensions, a contribution equal to 1.50% of the "taxe d'apprentissage" (training levy) for all beneficiaries stipulated in articles 4 and 4 bis or Appendix IV of said Agreement is payable by employers to the INPR (Institution Nationale de Prévoyance des Représentants) (national institution providing death and disability insurance for sales representatives).

SERVICES TO SIMPLIFY EMPLOYMENT FORMALITIES

These online services have been developed by the Urssaf network



** TFE an Urssaf service
and TPEE an Urssaf service*

The Titre firmes étrangères (TFE) is a complete service package that allows employers to complete employment formalities online at www.tfe.urssaf.fr at no extra cost.

The TFE is for employers with no place of business in France. To hire staff in France, the business must be registered with the CNFE and its employees - whatever their nationality or place of residence - subject to the "Régime Général" of the French social security system.

The TFE can be used to perform administrative formalities for all employees working in France, regardless of the type of contract under which they are employed (open-ended contract - CDI, fixed-term contract - CDD, etc.).

> Advantages

A SOLE FORM for all hiring formalities : the Declaration prior to hiring (DPAE - Déclaration préalable à l'embauche), which also serves as employment contract.

A SOLE DECLARATION for the social security institutions responsible for administering the mandatory schemes : Urssaf, unemployment insurance scheme, complementary pension scheme and, where applicable (depending on the national collective agreement that applies to your business in France), provident fund, supplemental pension scheme or building industry paid holiday fund.

A SOLE PAYMENT for all these social contributions at Urssaf Alsace.

> When and how to sign up?

You can sign up to the TFE whenever you choose (and even if you already have employees working in France) by filling in the form online at www.tfe.urssaf.fr

The TFE is optional. However if you do opt for this service, you must use it for all employees working in France.

WORTH KNOWING :

To ensure that your employees get the benefits to which they are entitled, you should contact the competent occupational health service ("service de santé au travail") and, where applicable (depending on the national collective agreement that applies to your business in France), provident fund, health care scheme, supplemental pension scheme or CIBTP - IDF paid holiday fund.

> How to use the TFE ?

Declare your employees online at www.tfe.urssaf.fr and take advantage of the website's offer.

The Employee Identification form ("Contrat") allows you to perform all hiring formalities in a single data submission.

You must file this form before hiring your employee. This form is the declaration prior to hiring (DPAE - Déclaration préalable à l'embauche) and can be used as an employment contract once signed both by the employer and the employee.

The Employee Wages form ("Volet social") is where you enter the information needed to calculate the social security contributions and social welfare taxes payable for your employee.

You must complete this form in order to help the TFE to work out the amount of the contributions and exemption you are entitled.

The TFE center ensures that your employees' pay slips are available in your online "Employer area" at www.tfe.urssaf.fr together with breakdowns of social contributions, tax certificates for your employees and the Annual employment data return (DADS).

> Paying contributions

The TFE center alerts you by e-mail once the statement of contributions becomes available in your Employer area.

There are two possibilities for making payment :

- If you have a bank account in France, the payment will be debited directly from your account on the 12th of the following month.
- If you don't have a bank account in France, you should pay by international bank transfer to the Urssaf Alsace at the beginning of the month following the receipt of the statement of contributions.



It's even easier now !



www.tfe.urssaf.fr

- + You sign up to the service and make your declarations online.
- + You can file your declarations up until the last minute and immediately receive a certificate acknowledging registration of your declaration.
- + You can print your employees' pay slips the day after entering the pay details.
- + You receive e-mail notification from the TFE center as soon as any new document is posted in your Employer area.



TITRE PARTICULIER EMPLOYEUR ÉTRANGER



You are a private individual who is nonresident in France for tax purposes and employing a French or non-French national to provide lifestyle or home care services during your stay in France. If this situation applies to you, you must register with the CNFE as a "private-individual employer" and pay social security contributions for your employee.

The "Titre Particulier Employeur Étranger" (TPEE), available at www.tpee.urssaf.fr is a complete, free service package that you have to sign up to and which simplifies the paperwork you need to provide as an employer.

> Jobs included in the scheme

In the home :

- childcare,
- cleaning, laundry, ironing, cooking,
- care of a sick or infirm person (this does not include medical care),
- help for an elderly or disabled person,
- small gardening jobs or jobs around the house,
- computer and Internet assistance, help with administrative formalities,
- private lessons or tuition,
- part-time house watching, maintenance or repairs at the employer's principal or second home.

Outside the home for tasks related to services provided in the home :

- shopping,
- meal and laundry delivery services,
- transporting persons who have difficulty with mobility,
- accompanying elderly and infirm persons or children outside of the home (on walks or public transport, in everyday activities, etc.).

For dependent elderly persons or persons with disabilities :

- dog walking and pet care (does not include veterinary care or grooming),
- in-home hairdressing and manicure services.

> How to sign up ?

Go to www.tpee.urssaf.fr

> How to use the TPEE ?

You declare your employees online at **www.tpee.urssaf.fr** and take **advantage of the website's offer** :

- simplified signing up procedure,
- a sole payment for all mandatory Social security contributions and social taxes,
- the employment certificate, which is also a pay slip, is directly sent to your employee.

Once you have declared the wages paid to your employee(s), the CNFE works out how much you owe in social contributions.

There are two possibilities for making payment :

- if you have a bank account in France, payments will be debited directly from your account,
- if you don't have a bank account in France, you pay online by credit card.

WORTH KNOWING : as a private-individual employer you are not required to file a Declaration prior to hiring (DPAE - Déclaration préalable à l'embauche) for your employee(s).

EMPLOYEE ENTITLEMENT

The contributions paid by the employer to the different institutions finance the employees' social protection.

> Social security

The French Social security system pays benefits to all who pay contributions including the following :

- Sickness, maternity leave, work-related accidents and occupational illnesses, disability, death (daily allowance, annuities and reimbursement of healthcare...),
- Basic State pension,
- Family (family allowances, housing benefits...),
- Living allowances (financial aid for elderly people and for dependent disabled persons).

> Unemployment

If an employee loses his/her job, they can receive unemployment benefits, under certain conditions.

These benefits vary according to age and to how long the person has been working.

> Complementary pension schemes

The Agirc and Arrco pension schemes supplement the basic French State pension scheme. Retirement points are given in return for contributions paid to Humanis or Omnirep.

The total number of points accrued is used to calculate the amount of supplementary pension : **number of points x point value = gross annual amount**. This pension is added to the basic State pension issued by Social security.

For construction and public works companies



> CIBTP - IDF

The CIBTP - IDF pays paid leave allowances to employees. If work is interrupted by bad weather conditions, employees are entitled to an allowance paid by the employer, who can be reimbursed in certain cases.

REFERENCE TEXTS

Article L.243-1-2 of the French Code of Social security (published by Law n° 2003-1199 dated 18th December 2003, art. 71 in the Official Journal dated 19th December 2003) : Employers whose undertakings do not include a place of business in France must fulfil their duty regarding declarations and the payment of social contributions and other social taxes they owe for their employees to a single collection office, appointed by an Order from the minister for Social security. In order to fulfil these duties, the employer can appoint a representative residing in France who becomes personally responsible for declarations and the payment of contributions. Information on the application is, when necessary, determined by a Council of State decree.

Article R.243-8-1 of the French Social security code : (published by Decree n°2004-890 dated 26th August 2004, art. 5 in the Official Journal dated 29th August 2004) : An Order from the Minister for Social security, issued after notice from the central agency for Social security institutions Acoss, can appoint the collection office of the Régime Général of the French social security system to which employers must send declarations and payments of contributions and social taxes owing for all or part of their employees, and specify the procedure to be followed... in cases where the employer's undertaking does not have a place of business in France.

Order dated 29th September 2004 appointing the Urssaf office of the Bas-Rhin* region as the institution in charge of the collection of social contributions and other social taxes owed to the Régime Général of the French social security system scheme by employers whose undertakings have no place of business in France.

* Became Urssaf Alsace by setting up decree dated 7/08/2012, published in the gazette dated 29/08/2012.

Agirc-Arrco « Instruction » 2005-80-DSI dated 28/06/2005. In accordance with article L.243-1-2, for Agirc-Arrco schemes, the implementation of this system has led to the creation of a single administration centre for undertakings and employees in this category. The executive boards of the Agirc-Arrco schemes have appointed the Group Novalis Taitbout, now Humanis, and the CRE and IRCAFEX institutions to ensure the implementation of this system, and Omnirep for firms employing sales representatives.

CNSBTP Letter dated 23 June 2005 informing the French Ministry for Health and Solidarity of the appointment of the CCPBRP as the representing office of construction and public works companies with no place of business in France.

Act of 13 February 2008 designating Urssaf as the body responsible for collecting unemployment insurance (AC) contributions and wage insurance (AGS) contributions as of 1st January 2011.

Regulation (EC) N°883/2004 Implementing Regulation N°987/2009.

GLOSSARY

Foreign company

Any company established outside France (whether in the EC or not) looking to enter or do business on the French market without setting up a place of business or subsidiary in that country, and wishing to hire employees in France or send employees to work there.

Enterprise and establishment

> **Enterprise (company)** : for the purposes of the Sirene* register an enterprise is an individual or legal entity engaged in a non-salaried professional activity.

There are two main kind of enterprises :

- the "entreprise individuelle" (one-person business), which has no separate legal personality (no separation between owner and business). This category of enterprise covers shopkeepers, skilled tradespeople and craftspeople, and independent professionals and farmers, among others.
 - limited liability companies: "société anonyme" (SA) or "société à responsabilité limitée" (SARL).
- > **Establishment (place of business)** : for the purposes of the Sirene register, an établissement is a geographically separate operating unit or production unit, which is legally dependent on an enterprise. It is an individual place of business such as a shop, workshop or warehouse.

* The Sirene register of undertakings and places of business ("Système Informatique pour le Répertoire des Entreprises et de leurs Établissements"), instituted in 1973 by decree and covered by articles R. 123-220 to R. 123-234 of the French Code of Commerce, is administered by the French National Institute of Statistics and Economic Studies, INSEE (source INSEE).

Commercial

Qualifying conditions for "VRP" status

To be eligible for "VRP" status, a sales representative, regardless of their job title, must fulfil the following conditions, as provided for under Article L7311-3 of the French Labour Code :

- > work for one or more employers,
- > operate as a sales rep on an exclusive and continuous basis,
- > refrain from transacting any commercial business for their own account,
- > be bound to their employer by an agreement stipulating :
 - the nature of the services or goods offered for sale or purchase,
 - the geographical area covered or the types of customers visited,
 - pay rates.

Foreign private individual employer

A private individual who is non-resident in France for tax purposes and who is employing a French or non-French national to provide lifestyle or home care services during their stay in France.



www.urssaf.fr



Centre national firmes étrangères - CNFE

Fax: 00 33 (0)811 01 15 67 only for prior hiring form

E-mail : cnfe.strasbourg@urssaf.fr - www.cnfe.urssaf.fr



Titre firmes étrangères - TFE

E-mail : tfe@urssaf.fr - www.tfe.urssaf.fr



Titre particulier employeur étranger - TPEE

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16 rue Contades
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Division Entreprise - 10 rue Edouard Mignot - 51079 REIMS CEDEX

Tel. 00 33 (0)3 26 48 60 00 - Fax: 00 33 (0)3 26 48 60 60



Pôle emploi services - Service Guso

TSA 72039 - 92 891 NANTERRE CEDEX 9

Tel. 00 33(0)810 863 342 (local call rate) - Telephone reception hours : from Monday to Friday from 9 : 00 am to 5 : 00 pm - Fax: 00 33(0)811 37 08 97 - www.guso.fr

Carsat Alsace-Moselle - Pension insurance and occupational health institution

Siège // Direction de la Retraite - Centre régional TDS

36 rue du Doubs - 67011 STRASBOURG CEDEX 1

Tel. 00 33 (0)821 10 67 60 - Fax: 0033 (0)3 88 65 24 40 - E-mail : tds@carsat-am.fr

Prévention et gestion des risques professionnels // Département tarification

14 rue Adolphe Seyboth - CS 10392 - 67010 STRASBOURG - Tel. 00 33 (0)3 88 14 34 00

Fax: 0033 (0)3 88 14 34 06 - E-mail : tarification.secretariat@carsat-am.fr

Humanis International

93 rue Marceau - 93187 Montreuil Cedex

Tel : 33 (0)1 58 82 72 12 - E-mail : commercial.esef@humanis.com

www.humanis.com

CIBTP - IDF

22 rue de Dantzig - 75756 PARIS CEDEX 15

Tel. 00 33 (0)1 44 19 26 26 - Fax 00 33 (0)1 44 19 28 90

E-mail : service.adherent@cibtp-idf.fr - www.cibtp-idf.fr

En cas d'intempéries : déclaration Intempéries BTP : www.net-entreprises.fr

CCVRP Régime de base - Social security and unemployment

7 et 9 rue Frédéric-Lemaître - 75971 PARIS CEDEX 20

Tel. 00 33 (0)1 40 33 78 01 - Fax: 00 33 (0)1 47 97 75 44

E-mail : etranger@ccvrp.com - www.ccvrp.com

OMNIREP - Retraite complémentaire et prévoyance complémentaire

30 - 32 rue Henri Barbusse - 92581 CLICHY CEDEX

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