

# KEY FIGURES 2026

## FOR ESTATE TAXATION

### 1. GIFT & INHERITANCE

Allowance on gifts and inheritances		
Beneficiary	Gift	Inheritance
Spouse or civil partner	€80,724	Exemption
Living or represented child	€100,000	€100,000
Grandchild	€31,865	€1,594
Great-grandchild	€5,310	€1,594
Direct ascendant	€100,000	€100,000
Siblings not subject to conditions	€15,932	€15,932
Siblings subject to conditions (CGI 796-0 ter)	€15,932	Exemption
Nephew and niece	€7,967	€7,967
Disabled heir (additional allowance)	€159,325	€159,325
In the absence of any other allowance	None	€1,594

The residual allowance available at the time of the transfer depends on the registered gifts made in the preceding 15 years.

Allowance of €31,865 on gifts of sums of money CGI art. 790 G
<ul style="list-style-type: none"> <li>→ For gifts of sums of money in full ownership</li> <li>→ To children, grandchildren and great-grandchildren or to nephews and nieces in the absence of a direct descendants, or to great-nephews and great-nieces by representation</li> <li>→ By a donor under the age of 80 to a recipient over the age of 18</li> <li>→ Renewable every 15 years</li> <li>→ Cumulative with the allowances listed on the left</li> </ul>

Exemption for family gifts of sums of money CGI art. 790 A bis
<ul style="list-style-type: none"> <li>→ For gifts of sums of money in full ownership</li> <li>→ Made between 02/15/2025 and 12/31/2026</li> <li>→ To a descendant or, in the absence of descendant, to a nephew</li> <li>→ Up to the double limit of €100,000 per the same donor to the same recipient, and of €300,000 per recipient</li> <li>→ Provided that the sums are used within 6 months to buy a new real estate asset used as a principal residence for 5 years, or to finance energy renovation work in the recipient's principal residence which he or she occupies personally</li> </ul>

Taxation of direct line gifts & inheritances CGI art. 777		
Net taxable fraction	Rate	Calculation formula <sup>(1)</sup>
< €8,072	5%	$F \times 0.05$
Between €8,072 & €12,109	10%	$(F \times 0.10) - €404$
Between €12,109 & €15,932	15%	$(F \times 0.15) - €1,009$
Between €15,932 & €552,324	20%	$(F \times 0.20) - €1,806$
Between €552,324 & €902,838	30%	$(F \times 0.30) - €57,038$
Between €902,838 & €1,805,677	40%	$(F \times 0.40) - €147,322$
> €1,805,677	45%	$(F \times 0.45) - €237,606$

<sup>(1)</sup> F = Net taxable fraction

Taxation of inter vivos gifts between spouses & civil partners // CGI art. 777		
Transfers by death are exempt		
Net taxable fraction	Rate	Calculation formula <sup>(1)</sup>
< €8,072	5%	$F \times 0.05$
Between €8,072 & €15,932	10%	$(F \times 0.10) - €404$
Between €15,932 & €31,865	15%	$(F \times 0.15) - €1,200$
Between €31,865 & €552,324	20%	$(F \times 0.20) - €2,793$
Between €552,324 & €902,838	30%	$(F \times 0.30) - €58,026$
Between €902,838 & €1,805,677	40%	$(F \times 0.40) - €148,310$
> €1,805,677	45%	$(F \times 0.45) - €238,594$

<sup>(1)</sup> F = Net taxable fraction

Taxation of gifts and inheritances between siblings CGI art. 777		
Net taxable fraction	Rate	Calculation formula <sup>(1)</sup>
Between 0 & €24,430	35%	$F \times 0.35$
> €24,430	45%	$(F \times 0.45) - €2,443$

<sup>(1)</sup> F = Net taxable fraction

Taxation of other gifts & inheritances CGI art. 777	
Degree of kinship	Rate
Between relatives up to and including the 4 <sup>th</sup> degree of kinship	55%
Between relatives beyond the 4 <sup>th</sup> degree of kinship	60%
Between non-relatives	60%

# 2. INCOME TAX



2025 Income tax CGI art. 197	
Taxable fraction	Rate
From 0 to €11,600	0%
From €11,601 to €29,579	11%
From €29,580 to €84,577	30%
From €84,578 to €181,917	41%
> €181,917	45%

+ CEHR and CDHR were applicable

Exceptional contribution on high incomes CEHR CGI art. 223 sexies		
For taxpayers domiciled for tax purposes in France or abroad, who are liable to French income tax		
Single person: fraction of the STI <sup>(1)</sup>	Couple: fraction of the STI <sup>(1)</sup>	Rate
From 0 to €250,000	From 0 to €500,000	0%
From €250,001 to €500,000	From €500,001 to €1,000,000	3%
> €500,000	> €1,000,000	4%

<sup>(1)</sup> Standard Taxable Income (Revenu Fiscal de Référence) of CGI art. 1417 IV, calculated by the tax authorities on the basis of net taxable income, with the addition of certain income or allowances

Dividends CGI art. 117 quater et 158 3.2° s
<ul style="list-style-type: none"> <li>→ Flat-rate tax of 31.4% (IT 12.8% + SSC 18.6%)</li> <li>→ If IT option: after 40% allowance, progressive IT scale + SSC of 18.6% on 100% of the dividend (and charging of flat-rate tax with refund in the case of a surplus)</li> <li>→ + CEHR et CDHR where applicable</li> <li>→ Non-residents are not subject to SSC on dividends</li> </ul>

Differential contribution on high incomes CDHR CGI art. 224
<ul style="list-style-type: none"> <li>→ Payable on the 2026 income by taxpayers who receive a recalculated Standard Taxable Income &gt; €250,000 for a single person or €500,000 for a couple. The recalculated Standard Taxable Income may be lower than the Standard Taxable Income</li> <li>→ It supplements income tax to reach an average tax rate of 20% (including CEHR but excluding social security contributions)</li> </ul>

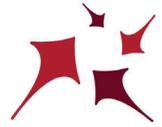
Taxation of capital gains on disposals of movable properties CGI art. 150 UA & 150-0 A s	
Sold assets	Taxation
Securities and corporate titles	<ul style="list-style-type: none"> <li>→ Flat-rate tax 12.8% + SSC 18.6%</li> <li>→ Or on global option for all income, taxation of the capital gain at the IT scale (after allowance where applicable, see box) + SSC 18.6% on the capital gain before allowance</li> </ul>
Precious metals	<ul style="list-style-type: none"> <li>→ 11% of the sale price + social debt repayment contribution (CRDS) of 0.5%</li> <li>→ Or option for the regime of capital gains on movable properties</li> </ul>
Jewellery, works of art, collectibles or antiques	<ul style="list-style-type: none"> <li>→ 6% of the sale price + CRDS 0.5%</li> <li>→ Or option for the regime of capital gains on movable properties</li> </ul>
Other movables	19% on the capital gain after a yearly 5% allowance starting on the 3 <sup>rd</sup> year of holding + SSC 17.2%

The non-residents are not subject to SSC on capital gains

Taxation of capital reductions in companies subject to corporation tax // CGI art. 112	
<b>Principle</b> Capital reduction by repurchase, by the company, of securities forming part of the private estate of the individual shareholder	Taxation according to the regime of capital gains on disposal securities. No French sharing tax.
<b>Exception</b> If the capital reduction does not involve any allocation to shareholder, since it results from losses	No taxation
<b>Nota</b> In the event of company dissolution	The liquidation bonus is taxed at French sharing tax and comes under the investment income tax regime (flat-rate tax). According to case law, French sharing tax is not due on the repayment of capital (not included in the BOFIP).

Allowances on capital gains from disposal of securities				
Fixed allowance €500,000 CGI art. 150-0 D ter	Holding period allowances CGI art. 150-0 D			
<ul style="list-style-type: none"> <li>→ Transfer due to the retirement of an executive</li> <li>→ Transfer between 01/01/2018 and 12/31/2031</li> <li>→ Securities held for at least 1 year</li> <li>→ In the event of flat-rate taxation or at the progressive IT scale</li> <li>→ Applicable only to the portion subject to income tax. SSC of 18.6% remain payable on the allowance</li> <li>→ No accumulation with the holding period allowance as per CGI art. 150-0 D</li> </ul>	<ul style="list-style-type: none"> <li>→ Securities acquired or subscribed before 01/01/2018</li> <li>→ Only in the event of a global option for taxation at the progressive income tax scale for all income and capital gains on movable properties</li> </ul>			
	Ordinary law allowance		Allowance for SME of less than 10 years	
	Holding period	Amount	Holding period	Amount
	Less than 2 years	0%	Less than 1 year	0%
	From 2 to 7 years	50%	From 1 to 3 years	50%
8 years and over	65%	From 4 to 7 years	65%	
		8 years and over	85%	

# 3. LIFE INSURANCE



Taxation of life insurance policies upon the death of the policyholder <sup>(1)</sup>			
		Premiums paid	
		Before 10/13/1998	Since 10/13/1998
Policy taken out before 11/20/1991, including for payments after 70 years of age		Exemption	CGI art. 990 I
Policy taken out since 11/20/1991	Premiums paid before 70 years of age	Exemption	CGI art. 990 I
	Premiums paid after 70 years of age	CGI art. 757 B: inheritance tax according to the degree of kinship between insured and beneficiary, after an overall allowance of €30,500 <sup>(2)</sup>	

<sup>(1)</sup> Some individuals are exempt, including spouses and civil partners  
<sup>(2)</sup> Death benefit and any allowances distributed between usufructuary and bare owner in accordance with CGI art. 669

Life insurance CGI art. 990 I <sup>(1)</sup>	
Taxation of each separate beneficiary of the same insured person, regardless of the degree of kinship	
Allowance «contrat vie génération»	20%
Allowance per beneficiary <sup>(2)</sup>	€152,500
Tax rate	
→ From 0 to €700,000	→ 20%
→ Over €700,000	→ 31.25%

<sup>(1)</sup> Some individuals are exempt, including spouses and civil partners  
<sup>(2)</sup> Death benefit and any allowances distributed between usufructuary and bare owner in accordance with CGI art. 669

Taxation of life insurance policy redemptions excluding social security contributions CGI art. 125-0 A et 200 A			
Length of time since the policy was taken out	Income related to premiums paid before 09/27/2017	Income related to policies taken out since 09/27/2017 or premiums paid since 09/27/2017 on policies taken out previously	
		Premiums paid by the insured on all policies still open	
		< €150,000	> €150,000
< 4 years	Progressive IT scale or if option flat-rate withholding tax of 35%	Flat-rate tax of 12.8% <sup>(1)</sup>	Flat-rate tax of 12.8% <sup>(1)</sup>
Between 4 and 8 years	Progressive IT scale or if option flat-rate withholding tax of 15%	Flat-rate tax of 12.8% <sup>(1)</sup>	Flat-rate tax of 12.8% <sup>(1)</sup>
8 years and over <sup>(2)</sup>	Progressive IT scale or if option flat-rate withholding tax of 7.5%	Flat-rate tax of 7.5% <sup>(1)</sup>	Flat-rate tax of 7.5% then 12.8% depending on the pro rata of CGI art. 200 A <sup>(1)</sup>

+ SSC 17.2% at the time the income is perceived (asset in euros) or upon redemption (unit-linked life insurance policy), except for the non-residents  
+ CEHR and CDHR where applicable  
<sup>(1)</sup> Except if option for the progressive income tax (IT) scale for all income  
<sup>(2)</sup> After annual allowance of €4,600 for a single person and €9,200 for a couple

Non-settled policy part of community property CIOT ministerial reply of 02/23/2016
If the policy was taken out with the spouses' funds which are part of community property and is not settled by death
→ In civil terms: it is a joint asset, half of which is dependent on the estate
→ In tax terms: the surrender value of the policy is not part of the assets of the estate for the calculation of the inheritance tax due by the heirs of the predeceased spouse (exemption)

# 4. PROPERTY DIVISION

Determination of the tax value of the bare ownership and the usufruct for the registration fees (*droits d'enregistrement*) and the land registration tax (*taxe de publicité foncière*)

Lifetime usufruct CGI art. 669 I		
Age of the usufructuary	Usufruct	Bare-ownership
Under 21 years of age	90%	10%
Under 31 years of age	80%	20%
Under 41 years of age	70%	30%
Under 51 years of age	60%	40%
Under 61 years of age	50%	50%
Under 71 years of age	40%	60%
Under 81 years of age	30%	70%
Under 91 years of age	20%	80%
Over 91 years of age	10%	90%

Temporary usufruct CGI art. 669 II
The usufruct constituted for a fixed term is estimated 23% of the value of the full ownership for each 10-year period of the usufruct term, without fraction and without taking into account the age of the usufructuary.
The value thus determined cannot exceed the value of the lifetime usufruct (see opposite), which is a maximum valuation.

Right of occupancy and use
The tax value of the right of occupancy and use = 60% of the value of the lifetime usufruct determined by CGI art. 669 I (see opposite).

# 5. WEALTH TAX ON REAL ESTATE (IFI)



Triggering threshold CGI art. 964
<ul style="list-style-type: none"> <li>→ Net taxable real estate assets as at 1<sup>st</sup> January &gt; €1,300,000</li> <li>→ Held directly or indirectly, including life insurance policies, real estate investment companies (SCPI), private real estate companies (SCI), etc</li> </ul>

Main residence CGI art. 973 I
A 30% allowance is applied to the value of the main residence held directly by the taxpayer (but not in the case of indirect ownership through a French <i>société civile</i> ).

Property division CGI art. 968
<ul style="list-style-type: none"> <li>→ In principle, when the ownership of a real estate is divided (in between usufruct and bare ownership), this asset is included in the usufructuary's estate at its full ownership value</li> <li>→ No deduction is applicable for property division</li> <li>→ The bare ownership is not required to declare these assets for wealth tax</li> </ul>

Tax scale CGI art. 977		
Taxable fraction	Rate	Calculation formula <sup>(1)</sup>
From 0 to €800,000	0%	
From €800,001 to €1,300,000	0.50%	$(A \times 0.005) - €4,000$
From €1,300,001 to €2,570,000	0.70%	$(A \times 0.007) - €6,600$
From €2,570,001 to €5,000,000	1%	$(A \times 0.01) - €14,310$
From €5,000,001 to €10,000,000	1.25%	$(A \times 0.0125) - €26,810$
> €10,000,000	1.50%	$(A \times 0.015) - €51,810$
<sup>(1)</sup> A = net taxable assets If A is between €1,300,000 and €1,400,000: discount = €17,500 - 1.25% A		

Reduction for gifts CGI art. 978
The amount of the tax can be reduced by: <ul style="list-style-type: none"> <li>→ 75% of gifts made</li> <li>→ Within the limit of €50,000 per year</li> <li>→ If the beneficiary is a non-profit organization listed in CGI art. 978</li> </ul>

Capping mechanism CGI art. 979
<ul style="list-style-type: none"> <li>→ All the taxes paid by the taxpayer (IFI + IT + other income taxes + SSC) may not exceed 75% of the income received the previous year, including non-taxable capital gains</li> <li>→ Failing this, the excess is deducted from the IFI</li> </ul>

# 6. TRANSFER OF VALUABLE CONSIDERATION

Registration fees due on the sale of buildings CGI art. 1594 D	
If the property is located in:	Rate
Indre (36) or Mayotte (262)	5.09%
Hautes-Alpes (05), Alpes Maritimes (06), Ardèche (07), Charente (16), Drôme (26), Eure (27), Lozère (48), Oise (60), Hautes-Pyrénées (65), Saône-et-Loire (71), Guadeloupe (971)	5.81%
Other départements	6.32%*
*Unless for first-time buyers: 5.81% The départements may change their registration fees. The applicable rates by département can be consulted at <a href="https://www.impots.gouv.fr/droits-denregistrement">https://www.impots.gouv.fr/droits-denregistrement</a>	

Registration fees due on transfers of securities CGI art. 726	
Sold assets	Rate
Stock in listed companies the sale of which is recorded by deed	0.1%
Stock in listed companies the sale of which is not recorded by deed	0%
Stock in unlisted companies	0.1%
Company's shares	3% after an allowance, for each of the company's shares, equal to the ratio between €23,000 and the total number of shares
Securities of companies that are mostly real estate	5% regardless of the type of company