

FRANCE

1. Overview of the system

Job-seekers are protected by two successive schemes: an unemployment insurance scheme to which both employees and employers contribute, and subsequently a “solidarity” scheme which pays out means-tested benefits when all entitlement to unemployment insurance has been exhausted. As a last resort, there is a social assistance system which guarantees a minimum level of income, which is also subject to means-testing. In addition, housing benefits (means-tested), family benefits for families with two or more children, and lone parent benefits are also available. Apart from housing benefits, the amounts involved do not vary by region (except in French overseas departments). The basic tax unit is the family’s joint income. It should be noted that the French tax system is the only one in the OECD countries in which income tax is not withheld directly from wages.

The annual income level of the average production worker (APW) was FF 118 400 en 1995.

2. Unemployment insurance

All employees must be enrolled by their employers in the unemployment insurance scheme.

2.1 *Conditions for receipt*

- at least 4 months of contributions within the last 8 months;
- previous job not lost voluntarily;
- registration as a job-seeker with the ANPE (*Agence Nationale pour l’Emploi*);
- actively seeking work;
- not considered seasonally unemployed;
- physically fit to work;
- under retirement age.

2.2 Calculation of benefit amount

2.2.1 Calculation of gross benefit

Unemployment benefit, known as the *allocation unique dégressive* (AUD), corresponds to a given percentage of the reference daily earnings (SJR). For the purposes of this study, SJR corresponds to annual earnings divided by 365 days. It should be noted that annual earnings are capped at four times by the social security ceiling, *i.e.* at FF 623 760 per year (see Section 10.3). Since calculation of the full AUD benefit is complex, it has been broken down into five successive steps:

- AUD1: 40.4% of SJR + a fixed amount of FF 56.95 per day;
- AUD2: 57.4% of SJR;
- AUD3: the greater of AUD1 or AUD2;
- AUD4: the greater of AUD3 or FF 138.84 (minimum daily benefit);
- AUD5: the lesser of AUD4 or 75 per cent of SJR (maximum daily benefit), except in the case of an unemployed person over 61 years of age with at least 5 months of contributions.

AUD is said to be degressive, because it is granted at the full rate for a certain number of months and then declines regularly every 4 months. The duration of benefits depends on length of affiliation but also the recipient's age (see table below).

Length of affiliation	Age (years)	Duration full-rate benefits (months)	Duration reduced benefits (months)	Rate of reduction (%)	Declining benefits, as a percentage of full AUD if greater than the minimum amount ¹ (duration in months)
4 months within the last 8 months	-	-	4	-25	75(4)
6 months within the last 12 months	-	4	3	-15	100(4), 85(3)
8 months within the last 12 months	< 50	4	11	-17	100(4), 83(4) 69(4) 47(3)
	50 >	7	14	-15	100(7), 85(4) 72(4) 61(4) 52(2)
14 months within the last 24 months	< 25	7	23	-17	100(7), 83(4) 69(4) 47(4) 39(4) 33(4) 27(3)
	25-50	9	21	-17	100(9), 83(4) 69(4) 47(4) 39(4) 33(4) 27(1)
	50 >	15	30	-15	100(15), 85(4) 72(4) 61(4) 52(4) 44(4) 38(4) 32(4) 27(2)
27 months within the last 36 months	50-55	20	25	-15	100(20), 85(4) 72(4) 61(4) 52(4) 44(4) 38(4) 32(1)
	55 >	27	33	-8	100(27), 85(4) 78(4) 72(4) 66(4) 61(4) 56(4) 51(4) 47(4) 43(1)

1. The minimum daily benefit is FF 88.66, or FF 122.90 for people over 52. This amount is the minimum only if it is not higher than full-rate AUD. If it is higher, then AUD is paid at the full rate for the entire duration of entitlement.

2.2.2 *Income and earnings disregards*

Benefits are reduced in proportion to earnings, *i.e.* the number of days not qualifying for benefits is proportional to the ratio of new gross earnings to reference earnings. However, earnings must not exceed 70 per cent of the reference daily earnings, and the person must not work more than 136 hours per month. Unemployment benefits may be drawn concurrently with earnings for up to 18 months only.

Family benefits and housing benefits may be obtained in addition.

2.3 *Tax treatment of benefit*

Benefits are theoretically taxable, but reduced rates of social security contributions apply.

Contribution	Rate (as a % of reference earnings)	
Retirement	1.2	AUD after deduction must not be lower than the minimum benefit of FF 138.84 per day.
Sickness, maternity, disability, death CSG*	1.4 2.4 *0.95	AUD after deduction must not be lower than the minimum wage (SMIC) of FF 207 per day (FF 206.03 as of 1 July 1995, rounded up to the nearest whole franc).

* CSG (*Contribution Sociale Généralisée*) is the only contribution not deductible from the income tax base.

Note: partial or total exemptions from contributions are possible.

2.4 *Benefit duration*

There is an 8-day waiting period. For duration thereafter, see Section 2.2.1.

2.5 *Treatment of particular groups*

Unemployment benefits vary by age of recipient (see table in Section 2.2.1).

2.5.1 *Young persons*

No special treatment. No minimum age. Since schooling is compulsory until age 16, it is (theoretically) possible to receive unemployment benefits at the age of 16 years and 4 months (after four months of work).

2.5.2 *Older workers*

If a full retirement pension may be drawn from age 60, unemployment benefits are no longer paid out.

3. Unemployment assistance

3.1 *Conditions for receipt*

The so-called “Solidarity Benefit”(ASS, *Allocation de solidarité spécifique*) is paid to job-seekers who have exhausted their entitlement under unemployment insurance, subject to means-testing.

3.1.1 *Employment conditions*

5 years of salaried employment or the equivalent within the 10 years preceding the end of the last work contract.

3.1.2 *Contribution conditions*

None.

3.2 *Calculation of benefit amount*

3.2.1 *Calculation of gross benefit*

The maximum amount is FF 74.01 per day, *i.e.* FF 2 220 for a 30-day month.

3.2.2 *Income and earnings disregards*

Single persons may have income of up to FF 2 960 per month (excluding family and housing benefits) and still receive the maximum amount of gross benefit (FF 2 220). Above that limit, each franc earned is deducted from ASS, up to FF 5 181, at which point the benefit ceases.

Couples may have income of up to FF 8 141 per month (excluding family and housing benefits) and still receive the maximum amount of gross benefit (FF 2 220). Above that limit, each franc earned is deducted from ASS, up to FF 10 361, at which point the benefit ceases.

It should be noted that 50 per cent of net earnings from ordinary employment (irrespective of the income ceiling of FF 5 181 or FF 10 361) under “re-employment contracts” (*contrats de réinsertion*) is disregarded, for up to 750 hours of work (accumulated since ASS benefits are first paid) and up to twice the amount of ASS received.

3.3 Tax treatment of benefit

The benefit is theoretically taxable, but the amount involved is too small to attract social security contributions or taxes.

3.4 Benefit duration

ASS is granted for renewable periods of 6 months.

3.5 Treatment of particular groups

3.5.1 Young persons

No special treatment.

3.5.2 Older workers

Persons over 50 may draw ASS if it is greater than unemployment benefit.

Persons aged 55 or over with 20 years of salaried employment, or those aged 57½ or over with 10 years of work, receive an additional ASS benefit of FF 32.29 per day, or a supplement of FF 968.70 per month.

4. Social assistance

The “social minimum income” (*revenu minimum d’insertion*, or RMI), created in 1989, is a benefit of last resort, intended to assist recipients in getting back into the labour market.

4.1 Conditions for receipt

The RMI is paid, subject to means-testing, to persons at least 25 years of age, but also to people under 25 who have a dependent child or are expecting a child.

4.2 Calculation of benefit amount

4.2.1 Calculation of gross benefit

Family type	Maximum amount (FF per month)	Percentage of amount for a single person
Single	2 325.66	100
2nd person	1 162.83	50
3rd person / 4th if couple	697.69	30
From 3rd child	930.26	40

4.2.2 Income and earnings disregards

RMI is an income supplement. It corresponds to the difference between the RMI ceiling and total income. The latter corresponds to net income, including family and housing benefits, up to a monthly housing benefit of FF 279.07 for a single person, FF 558.15 for two persons, and FF 690.71 for three persons or more.

It should be noted that 50 per cent of net earnings from ordinary employment under “re-employment contracts” initiated while RMI is being paid is disregarded, for up to 750 hours of work.

4.3 Tax treatment of benefit

RMI is tax-exempt.

4.4 Benefit duration

RMI is granted for renewable periods of 3 months.

4.5 Treatment of particular groups

4.5.1 Young persons

No special treatment. See Section 4.1.

4.5.2 Older workers

No special treatment.

5. Housing benefits (1 July 1993)

All households may claim housing benefits, depending on their income and make-up.

5.1 *Conditions for receipt*

- a) Family housing benefit (*allocation à caractère familial*, or ALF):
 - housing not subsidised;
 - receiving family benefits;
 - dependants under 20 or over 65 years of age;
 - married for less than 5 years (providing spouses were both under 40 when they married).
- b) Social housing benefit (*allocation à caractère social*, or ALS):
 - eligible for ALF but receiving no family benefits.
- c) Personalised housing aid (*aide personnalisée au logement*, or APL):
 - Conditions depend on the type of dwelling:
 - subsidised dwelling;
 - dwelling being purchased by a first-time homebuyer;
 - rented dwelling;
 - institutional residence.

The APL is not included in this study.

5.2 *Calculation of benefit amount*

5.2.1 *Calculation of gross benefit*

Family and social housing benefits (ALF and ALS) involve similar amounts. They vary with family type, income and amount of rent. The table below explains the parameter values per family type. Housing benefit (AL) represents a certain percentage (K) of a portion of housing expenditure:

$$AL = K * (L + C - L_0)$$

K is the “coverage coefficient” and is defined as follows: $K = 90\% - [R / (CM * n)]$, where:

R is taxable income after allowances and deductions,

CM is the “multiplier coefficient” set each year by decree (101 184 as of 1 July 1993),

n represents the number of “taxable persons” (*parts fiscales*), which depends on the type of family,

L represents monthly rent (excluding maintenance charges), up to a ceiling which increases with family size, and which varies among 3 geographical areas. Maxima from area II (the average area) were used.

C represents maintenance charges, set by family size.

Lo is the minimum rent that the family must devote to housing, which varies according to income and family size. The annual amount which families must pay themselves is obtained by breaking down family income into 5 brackets (R1-R2-R3-R4-R5) and applying the corresponding rate to each one. The upper and lower limits of each bracket are affected by a coefficient n, which varies according to family make-up. The resultant annual rent, after adjusting income brackets by the coefficient n, is then increased by FF 450.

Effective 1 July 1987, beneficiaries must bear a minimum net expenditure (DN), set by decree, such that $DN = (L + C - AL)$, or at least FF 100 per month.

	Single person	Couple	Number of dependent children (any family type)					Others
			1	2	3	4	5	
n	1.2	1.5	2.5	3.0	3.7	4.3	4.8	+0.5
Maximum rent (L) (area II) (monthly)	1 266	1 551	1 679	1 738	1 797	1 856	1 988	+174
Maintenance charges (C) (monthly)	282	282	343	404	465	526	587	+61
Calculation of minimum rent (Lo) (annual)								
R1 0%	< 8 067	< 10 083	<16 805	<20 166	<24 872	<28 905	<32 266	+3 361
R2 3%	from 8 067 to 11 606	from 10 083 to 14 507	from 16 805 to 24 178	from 20 166 to 29 013	from 24 872 to 35 783	from 28 905 to 41 586	from 32 266 to 46 421	+3 361 +4 836
R3 26%	from 11 606 to 14 908	from 14 507 to 18 635	from 24 178 to 31 058	from 29 013 to 37 269	from 35 783 to 45 966	from 41 586 to 53 419	from 46 421 to 59 631	+4 836 + 6 211
R4 29%	from 14 908 to 23 213	from 18 635 to 29 016	from 31 058 to 48 360	from 37 269 to 58 032	from 45 966 to 71 573	from 53 419 to 83 180	from 59 631 to 92 852	+6 211 +9 672
R5 41%	> 23 213	> 29 016	> 48 360	> 58 032	> 71 573	> 83 180	> 92 852	+9 672

5.2.2 *Income and earnings disregards*

For each benefit, the income taken into account is taxable income after allowances, less the following deductions:

- up to FF 5 000 in child-care expenses per child under 7 years of age;
- FF 500 if household income is less than FF 23 694 [12 times the monthly family benefit base (BMAF)];
- FF 4 440 and FF 6 658 for lone parents with respectively 1 or 2, or 3 or more dependants.

5.3 *Tax treatment of benefit*

Housing benefit is tax-exempt.

5.4 *Treatment of particular groups*

See conditions in Section 5.1.

6. **Family benefits**

6.1 *Conditions of receipt*

Family benefits are paid to families with at least two children in compulsory schooling and under 20 years of age. There is no means-testing.

6.2 *Calculation of benefit amount*

6.2.1 *Calculation of gross benefit*

The amount is determined by applying a percentage, which varies by family size, to the monthly family benefit base (BMAF), which was FF 2 078 in 1995. In addition, there are supplements related to the age of the children:

	Amount of benefit (FF per month)	Percentage of BMAF
2 children	665	32
Additional child	852	41
Supplement* per child aged > 10	187	9
Supplement* per child aged > 16	333	16

* Excluding the elder child in a family of two children.

6.2.2 *Income and earnings disregards*

There is no means-testing.

6.3 Tax treatment of benefit

Family benefits are tax-exempt.

6.4 Treatment of particular groups

A family with one or more dependent children under three years of age qualifies for the Young Child Benefit (*allocation pour jeune enfant*, or APJE). The monthly benefit amounts to 45.95 per cent of BMAF, *i.e.* to FF 943.96, but is granted only if taxable net income does not exceed certain ceilings. The income ceilings are FF 103 383 for a family with 1 child, FF 124 160 for a family with 2 children, plus FF 24 812 for each additional child. There is a flat-rate reduction of FF 33 242 for two-income families and lone parents.

A family with 3 or more dependent children over 3 years of age may qualify for the Family Supplement (*complément familial*, or CF). This monthly supplement amounts to 41.65 per cent of BMAF, *i.e.* to FF 855.62, but is granted only if taxable net income does not exceed certain ceilings, which are identical to those for APJE.

7. Child-care benefits

The Home Child-care Benefit (*allocation de garde d'enfant à domicile*, or AGED), compensates parents for the social security contributions they must pay to employ a provider of at-home care for a child under six years of age.

Family Aid for the Employment of a Licensed Child-carer (*l'aide à la famille pour l'emploi d'une assistante maternelle agréée*, or AFEAMA) enables parents to retain the services of a licensed professional.

7.1 Conditions for receipt

AGED:

- child aged six years or younger;
- both parents must perform minimal work;
- earnings over FF 6 192 during the last quarter, for each parent or a lone parent with dependent children.

AFEAMA:

- child aged six years or younger;
- recipients must retain the services of a licensed child-carer.

7.2 Calculation of benefit amount

7.2.1 Calculation of gross benefit

AGED is equal to aggregate social security contributions (employer's and employee's shares) paid in respect of the person employed, up to a maximum set quarterly, or monthly if the required conditions are not met for each month in the quarter. Payments are capped at the aggregate social security contributions applicable to the minimum wage, *i.e.* FF 11 838 per quarter (or FF 3 946 per month) for children under 3 years of age; for children aged 3 to 6 years, the ceiling is half that amount, *i.e.* FF 5 919 per quarter (or FF 1 973 per month).

AFEAMA is equal to aggregate social security contributions (employer's and employee's shares) paid in respect of the person employed, up to the prescribed maximum. There is a supplement of FF 800 per month per child under 3 years of age (FF 400 for each child aged from 3 to 6).

7.2.2 Income and earnings disregards

None.

7.3 Tax treatment of benefit

Neither AGED nor AFEAMA is taxable.

7.4 Benefit duration

AGED and AFEAMA are paid quarterly, as long as the required conditions are met.

7.5 Treatment of particular groups

No special treatment.

8. Employment-conditional benefits

None.

9. Lone-parent benefits

9.1 Conditions for receipt

The lone-parent benefit (*allocation de parent isolé*, or API) is means-tested and paid to lone parents having at least one dependent child, or who are expecting a child.

9.2 Calculation of benefit amount

9.2.1 Calculation of gross benefit

API is FF 3 488.49 per month (150 per cent of BMAF) for a lone expectant mother, plus FF 1 162.83 per month (50 per cent of BMAF) per child.

9.2.2 Income and earnings disregards

API supplements personal income up to a minimum which varies according to the number of children. Personal income corresponds to gross income, including family benefits.

9.3 Tax treatment of benefit

API is tax-exempt.

9.4 Benefit duration

API is paid for 12 months beginning with the qualifying event (divorce, separation, widowhood), or until the last child reaches 3 years of age.

9.5 Treatment of particular groups

No special treatment.

10. Tax system

The system comprises income tax, which is levied by the central government, and local taxes, which are levied by lower levels of governments. Local taxes (occupancy tax and property tax) vary considerably from one locality to another and have not been included in this study.

10.1 Income tax rate schedule

It should be noted that the French tax system is the only one in the OECD countries in which income tax is not withheld directly from wages.

10.1.1 Tax allowances and credits

Allowances are as follows (and are also deductible from unemployment benefits and ASS):

- social security contributions (see Section 10.3);

- a deduction, either standard, equal to 10 per cent of earnings net of social security contributions (minimum FF 2 230, maximum FF 74 590), or itemised (outside the scope of this study);
- additional deduction equal to 20 per cent of earnings net of social security contributions less the 10 per cent standard deduction, limited to FF 136 000.

Tax credits are obtainable for child-care outside the home, *i.e.* to cover part of the expense of retaining the services of a licensed child-carer or day-care centre. The credit is equal to 25 per cent of expenses, up to FF 15 000 per child, for a maximum tax credit of FF 3 750 per year and per child (under 7 years of age). It may be taken concurrently with AFEAMA.

There is a tax credit for employment at home. It is equal to 50 per cent of the expenditure, up to FF 90 000 (since 1994), for a maximum credit of FF 45 000. It may be taken concurrently with AGED.

10.1.2 The definition of taxable income

Gross income less the three allowances cited above.

10.1.3 The 1995 tax schedule

Tax brackets are calculated not only with respect to taxable income (RI); the calculation also takes account of the “family quotient” (QF), which is equal to the ratio of RI to the number of taxable persons (N). This number is calculated as follows:

Family type	Number of taxable persons (N)			
	No dependants	Number of dependants		
		1	2	3*
Single	1	2	2.5	3.5
Married couple	2	2.5	3	4

* After the third dependant, each additional dependant counts as an additional taxable person.

Family quotient	Tax
0 - 22 610	0
22 610 - 49 440	$(RI * 0.12) - (2\,713.20 * N)$
49 440 - 87 020	$(RI * 0.25) - (9\,140.40 * N)$
87 020 - 140 900	$(RI * 0.35) - (17\,842.40 * N)$
140 900 - 229 260	$(RI * 0.45) - (31\,932.40 * N)$
229 260 - 282 730	$(RI * 0.50) - (43\,395.40 * N)$
282 730 +	$(RI * 0.568) - (62\,621.04 * N)$

It should be noted that the tax credit resulting from the family quotient is capped: for each half taxable person over 1 (a single person) or 2 (a married couple), the reduction may not exceed FF 15 900. In the case of a lone parent, the tax credit obtained from the two half-persons allowed for the first dependent child may not exceed FF 19 680 F. The levels of taxable income above which the

credit is capped are as follows, depending on family status (the ceiling is not operative at the APW income level):

Family type	Number of taxable persons				
	2	2.5	3	3.5	4
Single person	166 660	229 080	275 660	309 880	343 840
Married couple	-	351 600	421 390	480 290	526 820

Lastly, if the theoretical amount of tax (I) is less than FF 4 320 F, there is tax relief equal to FF 4 320 less I. The tax payable is therefore the theoretical tax (I) less the tax relief. No tax is payable unless the liability exceeds FF 400.

Local taxes are also payable, and vary primarily according to rental value. For the purposes of this study, it will be assumed that the average annual tax represents two-thirds of monthly rent (it is assumed that rent equals 20 per cent of APW earnings), or FF 1 310 F. This tax is not payable by RMI recipients.

10.2 *Treatment of family income*

The basic tax unit is joint family income. Children are included only if their parents claim them as dependants.

10.3 *Social security contribution schedule*

The basis for certain contributions is subject to the monthly social security earnings ceiling. This ceiling was FF 12 930 from 1 January through 30 June 1995, and FF 13 060 from 1 July through 31 December 1995. For the purposes of this study, the annual ceiling will be FF 155 940 (6*12 930 + 6*13 060).

Contribution	Rate (% of gross pay)	Ceiling (FF)
Retirement	6.55	155 940
Sickness, maternity, disability, death	6.80	-
Unemployment	3.22	155 940
	3.86	623 760
Supplemental retirement	2.00	467 820
Widowhood	0.10	-
CSG*	2.4 * 95%	-

* CSG (*Contribution Sociale Généralisée*) is the only contribution not deductible from the income tax base. The theoretical amount of CSG is reduced by an offsetting credit of FF 42 per month.

It should be noted that social security contribution rates vary with labour market conditions.

11. Part-time work

A job is considered part-time if its official duration is at least one-fifth less than the official working hours set by the applicable collective agreement. A job's duration may be assessed on a weekly, monthly or annual basis.

11.1 Special benefit rules for part-time work

The calculation and duration of unemployment benefits are adjusted so as not to put persons working part time at a disadvantage. A correction coefficient (CC) is factored into the calculation method; it corresponds to the number of hours worked divided by the standard number of hours worked in the company concerned.

AUD1: 40.4% of SJR + (a fixed amount of FF 56.95 per day * CC);

AUD2: 57.4% of SJR;

AUD3: the greater of AUD1 or AUD2;

AUD4: the greater of AUD3 or (FF 138.84 * CC);

AUD5: the lesser of AUD4 or 75% of SJR.

Benefit recipients are encouraged to return to work with incentives for accepting part-time jobs or taking training courses: 50 per cent of net earnings from ordinary employment under "re-employment contracts" is disregarded, up to 750 hours of work (for the very long-term -- *i.e.* over 3 years -- unemployed, the long-term unemployed over 50 years of age, and recipients of ASS or RMI) and twice the amount of ASS received (for ASS recipients).

11.2 Special tax and social security contribution rules for part-time work

Part-time employees receive the same social protection as full-time workers if they have made a minimum amount of contributions and worked for a minimum number of hours.

In addition, to encourage part-time work, there is a flat 30 per cent reduction in social security contributions for employers who hire part-time workers, or who convert full-time jobs into part-time positions -- and hire additional workers to compensate.

12. Policy developments

12.1 Policy changes introduced in the last year

None.

12.2 Policy changes announced

A new social welfare levy to pay off social security deficits (the *remboursement de la dette sociale* or RDS) has been in force since 1 February 1996, equal to 0.5 per cent of earnings. Like CSG, RDS is not deductible from the income tax base.

Effective 1 January 1997, two changes in the requirements for ASS will be applicable to new claimants: 1) periods of paid unemployment will no longer count as periods of work, and 2) the income ceiling will be lowered to FF 8 140 for a married recipient.

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The annual tax/benefit position of an unemployed single person, 1995 (Francs)

	Unemployment insurance (limited)	Solidarity benefit (ASS) (unlimited)	Social minimum income (RMI) (unlimited)
A. Taxable benefits			
Means-tested benefits			
Non-means tested benefits			
Unemployment insurance	68 620		
Solidarity benefit (ASS)		26 644	
Total taxable benefits	68 620	26 644	0
B. Taxes and social security contributions			
Allowances	19 214	7 460	
Taxable income	49 406	19 180	
Income tax	2 111	0	
<i>Contribution Sociale Généralisée</i> (CSG)	1 061	103	0
Local taxes	1 310	1 310	0
Social security contributions	1 421	0	
Total taxes and social security contributions	5 903	1 413	0
C. Non-taxable benefits			
Means-tested benefits			
Social minimum income (RMI)			24 559
Housing benefits	2 223	11 814	16 313
Non-means tested benefits			
Total non-taxable benefits	2 223	11 814	40 872
D. Net income out of work (A-B+C)	65 186	37 044	40 872
E. Net income in work	86 320	86 320	86 320
F. Net replacement rate (D/E) (per cent)	76	43	47

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The annual tax/benefit position of an unemployed married couple with two children, 1995 (Francs)

	Unemployment insurance (limited)	Solidarity benefit (ASS) (unlimited)	Social minimum income (RMI) (unlimited)
A. Taxable benefits			
Means-tested benefits			
Non-means tested benefits			
Unemployment insurance	68 620		
Solidarity benefit (ASS)		26 644	
Total taxable benefits	68 620	26 644	0
B. Taxes and social security contributions			
Allowances	20 237	7 460	
Taxable income	48 383	19 184	
Income tax	0	0	
<i>Contribution Sociale Généralisée</i> (CSG)	1 061	103	0
Local taxes	1 310	1 310	0
Social security contributions	1 421	0	
Total taxes and social security contributions	3 792	1 413	0
C. Non-taxable benefits			
Means-tested benefits			
Social minimum income (RMI)		2 424	42 338
Housing benefits	17 419	21 965	22 729
Non-means tested benefits			
Family benefits	7 980	7 980	7 980
Total non-taxable benefits	25 399	32 369	73 047
D. Net income out of work (A-B+C)	90 228	57 599	73 047
E. Net income in work	113 934	113 934	113 934
F. Net replacement rate (D/E) (per cent)	79	51	64

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The annual tax/benefit position of an unemployed lone parent with two children, 1995 (Francs)

	Unemployment insurance (limited)	Solidarity benefit (ASS) (unlimited)	Social minimum income (RMI) (unlimited)
A. Taxable benefits			
Means-tested benefits			
Non-means tested benefits			
Unemployment insurance	68 620		
Solidarity benefit (ASS)		26 644	
Total taxable benefits	68 620	26 644	0
B. Taxes and social security contributions			
Allowances	20 237	7 460	
Taxable income	48 383	19 184	
Income tax	0	0	
<i>Contribution Sociale Généralisée</i> (CSG)	1 061	103	0
Local taxes	1 310	1 310	0
Social security contributions	1 421	0	
Total taxes and social security contributions	3 792	1 413	0
C. Non-taxable benefits			
Means-tested benefits			
Social minimum income (RMI)			33 966
Housing benefits	17 661	22 334	22 729
Lone-parent benefits			
Non-means tested benefits			
Family benefits	7 980	7 980	7 980
Total non-taxable benefits	25 641	30 314	64 675
D. Net income out of work (A-B+C)	90 470	55 544	64 675
E. Net income in work	113 640	113 640	113 640
F. Net replacement rate (D/E) (per cent)	80	49	57