

France

Transfer Pricing Country Profile¹

October 2025

		SUMMARY	REFERENCE
The Arm's Length Principle			
1	Does your domestic transfer pricing framework ² make reference to the arm's length principle?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 57 of the General Tax Code (<i>Code général des Impôts</i>) is the equivalent in domestic law of Article 9 of the OECD Model Tax Convention.
2	Does your domestic transfer pricing framework give the OECD Transfer Pricing Guidelines any role or status (e.g. legal binding effect, subsidiary application in the absence of domestic legislation, source of interpretation of domestic legislation and/or treaty provisions, other)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Although the OECD Transfer Pricing Guidelines are not prescriptive under French domestic law or regulation, French administrative doctrine makes express references to them. French domestic administrative doctrine refers to the OECD Transfer Pricing Guidelines (TPG) for the arm's length principle and for the methods used for determining the transaction price between related parties under this principle.	<p><i>Bulletin Officiel des Finances Publiques</i> (Official Public Finances Bulletin) BOI-SJRES-20-20250115 of the 15th of January 2025, on APAs.</p> <p><i>Bulletin Officiel des Finances Publiques</i> BOI-INT-DG-20-40-20250115 of the 15th of January 2025, on general transfer pricing guidance, treaty provisions and practical issues.</p> <p><i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-20140218 of the 18th of February 2014, on definition, calculation,</p>

¹ Information in transfer pricing country profiles is provided directly by jurisdictions. By publishing the transfer pricing country profiles on the OECD website, the OECD does not certify the accurateness of the information provided therein. Importantly, transfer pricing country profiles published on the OECD website are made available to stakeholders for information purposes only, and are not intended to be used in substitution to a jurisdiction's legal instruments, jurisprudence, or administrative guidance or practice nor relied on as an accurate and complete description of domestic law.

² For purposes of transfer pricing country profiles, the term "domestic transfer pricing framework" refers to a jurisdiction's domestic legislation, regulations, administrative guidance or practice, jurisprudence or governing general principles in the jurisdiction.

			documentation, control and procedure about transfer pricing between associated enterprises.
3	<p>Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>In the context of transfer pricing, associated enterprises are those that depend on or control enterprises outside France.</p> <p>Article 57 of the General Tax Code refers to the notion of dependence but does not define it; dependence can be either <i>de jure</i> or simply <i>de facto</i>. Moreover, Article 57 dispenses the tax authorities from having to prove the relationship of dependence or control in respect of profit transfers to enterprises located in a foreign State or territory outside France that has a preferential tax regime, or that are incorporated or constituted in a non-cooperative jurisdiction or territory as it is determined by French law.</p> <p>Administrative doctrine provides that:</p> <p><i>De jure</i> dependence is established if a French enterprise is dependent on a foreign enterprise, which is the case if the foreign enterprise holds a preponderant share of the French enterprise's equity or an absolute majority of the voting rights. In practice, holding more than 50 % of the shares is enough to characterize dependency or control.</p> <p><i>De facto</i> dependence may either be contractual or stem from conditions underlying the dealings between the two enterprises (there is abundant case law illustrating this notion of de facto dependence). For example, if the foreign enterprise is empowered to perform functions that include decision-making affecting the French enterprise, either directly or through intermediaries.</p>	<p><i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-20-20150902 of the 2nd of September 2015 on indirect transfer of profits between dependent enterprises, guidance on control and transfer pricing audit procedures.</p> <p>Article 57 of the General Tax Code (<i>Code général des Impôts</i>).</p>

Transfer Pricing Methods

4	<p>Does your domestic transfer pricing framework provide for transfer pricing methods to be used in respect of transactions between related parties?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If affirmative, please check those provided for in your legislation:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 16.6%;">CUP</td><td style="width: 16.6%;">Resale Price</td><td style="width: 16.6%;">Cost Plus</td><td style="width: 16.6%;">TNMM</td><td style="width: 16.6%;">Profit Split</td><td style="width: 16.6%;">Other (If so, please describe)</td></tr> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr> </table> <p>There is no specific legislation or regulation on transfer pricing methods to be used, but the French administrative doctrine provides that the guidance in the OECD Transfer Pricing Guidelines should be followed.</p>	CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (If so, please describe)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-10-20231122 of the 22th of November 2023 on indirect transfer of profits between dependent enterprises, providing guidance on definitions and principles on determining transfer pricing.</p>
CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (If so, please describe)										
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>										
5	<p>Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?</p>	<p>Please check all that apply:</p> <p><input type="checkbox"/> Hierarchy of methods</p> <p><input checked="" type="checkbox"/> Most appropriate method</p> <p><input type="checkbox"/> Other (if so, please explain)</p> <p>There is no specific legislation or regulation on transfer pricing methods to be used, but the French administrative doctrine provides that the guidance in the OECD Transfer Pricing Guidelines should be followed. The most appropriate method is to be selected after performing a functional analysis in order to identify the arm's length price between independent companies.</p>	<p><i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-10-20231122 of the 22th of November 2023.</p>												
6	<p>Does your domestic transfer pricing framework contain specific guidance on commodity transactions?</p>	<p><input type="checkbox"/> Yes</p> <p style="margin-left: 20px;"><input type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed.</p> <p style="margin-left: 20px;"><input type="checkbox"/> Domestic transfer pricing framework provides for the use of a specific method for controlled transactions involving commodities (if so, please explain)</p> <p><input checked="" type="checkbox"/> No</p>													

		There is no specific guidance on commodity transactions.	
Comparability Analysis			
7	Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No French guidance mentions the need to carry out a comparability analysis in order to test the arm's length principle.	<i>Bulletin Officiel des Finances Publiques</i> BOI-INT-DG-20-40-20250115 of the 15th of January 2025. <i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-10-20231122 of the 22th November 2023. <i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-40-20180718 of the 18th July 2018 on the transfer pricing documentation requirement.
8	Is there a preference in your jurisdiction for domestic comparables over foreign comparables?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No There is no preference defined in the French domestic law or regulation. However, in practice, because of the specificities of each domestic market, national comparables are deemed to better meet the requirement of comparability. Then, in the absence of usable national comparables, the use of foreign comparables does not present difficulties.	
9	Does your domestic transfer pricing framework permit the use of secret comparables for transfer pricing assessment purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No However, in the absence of transfer pricing documentation or if such documentation is insufficient, the French tax authorities may use their own comparative analysis based on publicly available data and communicate it to the taxpayer.	<i>Bulletin Officiel des Finances Publiques</i> BOI-INT-DG-20-40-20250115 of the 15th of January 2025.
10	Does your domestic transfer pricing framework allow or require the use of an arm's length range and/or	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

	<p>statistical measure (e.g. the interquartile range or other percentiles) for determining arm's length remuneration?</p>	<p>In general, French administrative doctrine refers to the OECD transfer pricing principles for the arm's length principle and for the methods used to determine the transaction price between related parties under this principle.</p> <p>It is common to use the interquartile range as the arm's length range (companies located between the first and third quartiles) and to consider the median as the most appropriate point of comparison when the result of the tested party is outside the interquartile range.</p>	
11	<p>Are comparability adjustments required under your domestic transfer pricing framework?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Comparability adjustments can be accepted (not required) when specific circumstances justify it.</p>	
Intangible Property			
12	<p>Does your domestic transfer pricing framework contain guidance specific to the pricing of controlled transactions involving intangibles?</p>	<p><input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VI of the TPG?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p> <p>French administrative doctrine provides guidance on Hard-to-value intangibles (HTVI) outlined in Chapter VI of the TPG and the provision of an intangible asset (e.g. know-how).</p>	<p><i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-10-20231122 of the 22th of November 2023.</p>
13	<p>Are there any other rules outside your transfer pricing framework that are relevant for the pricing of controlled transactions involving intangibles?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Article 238 of the General Tax Code provides a special rule for transactions involving capital gains on the transfer of patents, patentable inventions or improvements made therein. This rule provides that companies may, under certain conditions, subject to separate taxation at a reduced rate the net income issued from the sale, concession or sub-concession of patents and similar intangible assets.</p>	<p>Article 238 of the General Tax Code (<i>Code général des Impôts</i>).</p>

Hard-to-Value Intangibles³

14	Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)?⁴	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Article 238 bis-0 I ter of the General Tax Code (<i>Code général des Impôts</i>).
15	If your jurisdiction applies the HTVI approach, what are the conditions for the application of the HTVI approach?	<p>According to article 1649 AH of the General Tax Code, HTVI are intangible assets or rights to intangible assets for which, at the time of their transfer between associated companies:</p> <p>a) There are no reliable comparables; and</p> <p>b) At the time the transaction was entered into, the projections of future cash flows or income expected from the transferred intangible asset, or the assumptions used to value that intangible asset, are highly uncertain, and it is therefore difficult to predict the extent to which the intangible asset will ultimately be successful at the time of transfer.</p> <p>According to article 238 bis-O I ter of the General Tax Code, the value of an HTVI transferred may be adjusted based on results after the financial year in which the transaction took place. This adjustment does not apply when:</p> <p>1) The taxpayer, on the one hand, provides detailed information on the forecasts used at the time of the transfer to determine the prices, in particular the methods used to take into account reasonably foreseeable risks and events and their probability of occurrence, and, on the other hand, establishes that the significant difference between these forecasts and the actual results is due either to the occurrence of events that were unforeseeable at the time the price was determined or to the occurrence of foreseeable events, provided that their probability of</p>	<p>Article 1649 AH II E 2° of the General Tax Code (<i>Code général des Impôts</i>).</p> <p>Article 238 bis-0 I ter of the General Tax Code (<i>Code général des Impôts</i>).</p>

³ Please note that questions in this section are imported from the HTVI questionnaire and integrated into this TPCP to centralise all jurisdiction-related transfer pricing information.

⁴ In the case of jurisdictions that do not apply the HTVI approach (i.e. they responded “no” to question 14), it is not necessary to respond to the remaining questions in the HTVI section and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

		<p>occurrence was not significantly underestimated or overestimated at the time of the transaction;</p> <p>2) The transfer in question is covered by a prior bilateral or multilateral pricing agreement, in force for the period concerned, between the jurisdictions of the transferee and the transferor;</p> <p>3) The difference between the valuation resulting from the forecasts made at the time of the transaction and that established on the basis of actual results is less than 20%;</p> <p>4) A marketing period of five years has elapsed after the year in which the asset or right first generated income from an entity not related to the transferee and, during that period, the difference between the forecasts made at the time of the transaction and the actual results referred to in 1° is less than 20%.</p>	
16	Are transactions falling within the scope of the HTVI approach subject to a transfer pricing analysis different from the one established in Chapters I and VI, or to other compliance requirements specifically applicable to transfer prices (e.g. domestic anti-abuse rules)?	No, French domestic legislation implements the OECD's recommendations.	<i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-10-20231122 of the 22th of November 2023.
17	What is the statute of limitations applicable to transactions falling within the scope of the HTVI approach in your domestic transfer pricing framework? Does this statute of limitations differ from those applicable to other transactions?	<p>The administration's right of recovery is extended, in respect of these transactions, until the end of the sixth year following the year in which the tax is due.</p> <p>In addition, a new exception to the guarantee of non-renewal of the accounting audit is provided for.</p>	<p>Article L171 B of the Tax Procedure Code (<i>Livre des procédures fiscales</i>).</p> <p>Article L51 of the Tax Procedure code (<i>Livre des procédures fiscales</i>).</p>
18	Can taxpayers request a bilateral or multilateral advance pricing agreement (“APA”) for transactions falling within the scope of the HTVI approach under your domestic transfer pricing framework?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
19	What measures exist or approaches have been adopted to avoid the use of hindsight (e.g. training of tax	N/A	

	administrators, internal circulars/informative notes)?		
20	Is it possible for your tax administration to make adjustments under the HTVI approach in open years amounts pertaining to closed years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 238 bis-0 I ter of the General Tax Code (<i>Code général des Impôts</i>). Article L171 B of the Tax Procedure Code (<i>Livre des procédures fiscales</i>) Article L51 of the Tax Procedure Code (<i>Livre des procédures fiscales</i>).
21	Does your domestic transfer pricing framework allow the tax administration to make corresponding adjustments under the HTVI approach in open years for amounts pertaining to closed years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 238 bis-0 I ter of the General Tax Code (<i>Code général des Impôts</i>). Article L171 B of the Tax Procedure Code (<i>Livre des procédures fiscales</i>). Article L51 of the Tax Procedure Code (<i>Livre des procédures fiscales</i>).
22	Is it possible for your tax administration to make several adjustments for one single HTVI transaction under the HTVI approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Article 238 bis-0 I ter of the General Tax Code (<i>Code général des Impôts</i>).
Intra-group Services			
23	Does your domestic transfer pricing framework provide guidance specific to intra-group services transactions?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VII of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No French administrative doctrine provides general guidance in this respect that largely follow the guidance in Chapter VII of the TPG, in particular in identifying whether	<i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-10-20231122 of the 22th of November 2023.

		<p>intra-group services have been rendered (benefits test) and in determining an arm's length charge for these services.</p> <p>For the expense to be deductible the service provided must meet a genuine need of the beneficiary company and the service provided must not duplicate services already existing within the subsidiary.</p> <p>In addition, these services must be remunerated at the same price as if they were provided to an independent company.</p>	
24	<p>Does your domestic transfer pricing framework provide for or allow the application of a simplified approach for low value-adding intra-group services?</p>	<p><input type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p> <p>French domestic legislation does not contain as such specific guidance on low value-adding intra-group services. However, French domestic administrative doctrine refers to the OECD Transfer Pricing Guidelines for the arm's length principle and for the methods used for determining the transaction price between related parties under this principle.</p>	
25	<p>Are there any other rules outside your transfer pricing framework for pricing intragroup services?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>The French tax administration does take into account the EU Joint Transfer Pricing Forum recommendations regarding the simplified approach for low value-adding intra-group services.</p>	

Financial Transactions

26	<p>Does your domestic transfer pricing framework provide guidance specific to financial transactions?</p>	<p><input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter X of the TPG?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p> <p>Article 57 of the General Tax Code allows the tax administration to ensure compliance with the arm's length principle and to reassess profits declared in corporate income tax returns when these profits have been indirectly transferred abroad, either by way of increase or decrease in purchase or sale prices, or by any other means.</p> <p>These provisions are intended to apply to all types of transactions, including financial transactions such as loans, cash pooling, or guarantees.</p>	<p>Article 57 of the General Tax Code (<i>Code général des Impôts</i>) is the equivalent in domestic law of Article 9 of the OECD Model Tax Convention.</p>
27	<p>Are there any other rules outside your transfer pricing framework that are relevant for the tax treatment of financial transactions? (<i>e.g. whether your jurisdiction has implemented the measures in BEPS Action 4 to limit interest deductions and other financial payments or any similar rules</i>)</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Article 39 of the General Tax Code allows the deduction of interest paid to partners on certain conditions as long as they do not exceed the average rates charged by banks.</p> <p>Article 212 bis of the General Tax Code caps the deduction of net financial charges of companies subject to corporation tax at 30% of their profit before taxes, interest, depreciation and amortization (“EBITDA fiscal”), or at EUR 3 million if this amount is higher. Moreover, this article also provides for mechanisms for deferral to subsequent years of net financial charges not allowed in deduction under the limitation rules, as well as unused deduction capacities for a year. These rules are stricter for under-capitalized companies.</p> <p>An anti-hybrid rule (Article 205 B of the General Tax Code) prohibits the deduction of sums when the income is not included in the taxable income of the beneficiary due to a hybrid asymmetry.</p>	

Cost Contribution Arrangements

28	<p>Does your jurisdiction allow cost contribution arrangements?</p>	<p><input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VIII of the TPG?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p> <p>There is no specific legislation or regulation on cost contribution agreements, but the French administrative doctrine provides some general guidance in this respect.</p> <p>French administrative doctrine provides some general guidance on cost contribution agreements (CCA) as follows: the possibility of setting up a CCA is mentioned. This agreement must relate to services which must be remunerated at the same price as if they were provided between independent companies. The individualized services must be invoiced directly and for other services the valuation methods must be sufficiently precise so that the prices conform to the market price. The method adopted must be representative of the value of the services rendered, which excludes any flat-rate allocation method. The use of an individualized distribution key is recommended.</p>	<p><i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-10-20231122 of the 22th of November 2023.</p>
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Transfer Pricing Documentation

29	<p>Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><i>If affirmative, please check all that apply:</i></p> <p><input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG</p> <p><input type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return)</p> <p><input type="checkbox"/> Other (specify):</p>	
30	<p>Please briefly explain the relevant requirements related to each transfer pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.)</p>	<p>The transfer pricing documentation requirements in the French tax law covers all transactions between associated companies.</p> <p>Under Article L 13 AA of the Tax Procedure Code, any entity which belongs to a group, whose annual turnover or balance sheet assets is at least EUR 150 million, is required to keep available both a master and a local file for the tax administration services.</p> <p>The first document provides background information about the related companies within the group whereas the second contains additional information about the local company under tax audit.</p> <p>Entities dealing with related parties located in non-cooperative jurisdictions are subject to additional requirements (Article L 13 AB of the Tax Procedure Code). It involves providing documents that are required from corporations liable to the corporation tax under French law, including balance sheet and income statement.</p> <p>Article 223 quinquies B of the General Tax Code requires from companies whose turnover or balance sheet assets is at least EUR 50 million to file every year a simplified version of the master and local file. Furthermore, companies that do not exceed the threshold above mentioned of EUR 150 million can be required, in case of control, to produce targeted and lightened information (Article L. 13 B of the Tax Procedure Code). Article L. 13B of the Tax Procedure Code provides, in case of a tax audit, the possibility, for the administration, to request legal, economic, fiscal,</p>	<p>Article L 13 AA of the Tax Procedure Code (<i>Livre des procédures fiscales</i>).</p> <p>Article L 13 AB of the Tax Procedure Code (<i>Livre des procédures fiscales</i>).</p> <p>Article 223 quinquies B and quinquies C of the General Tax Code (<i>Code général des Impôts</i>). Deadline for the filing date is within 6 months after filing corporate tax result for 223 quinquies B and it is within 12 months of the group's financial year closure for CBC under Article 223 quinquies.</p> <p>Article 57 of the General Tax Code (<i>Code général des Impôts</i>): transfer pricing documentation has been enforceable against taxpayers since the 1st of January 2024.</p> <p>More information</p>

		<p>accounting, methodological information on the methods according to which the price of transactions was set between a company and companies located abroad. This procedure occurs only if the company has not provided the information requested by the administration. This article introduces documentation obligations for transfer pricing policy of the company.</p> <p>Finally, Article 223 quinquies C of the General Tax Code faithfully transposes the OECD recommendations regarding the country-by-country (CBC) reporting, for MNEs exceeding the threshold of EUR 750 million.</p> <p>Declarations must be filled on the tax forms provided by the administration and electronically sent.</p> <p>The administration has the possibility to request the documents written in a foreign language to be translated in French.</p> <p>Where an enterprise does not produce the required documentation, or when it produces it partially, the administration shall send a formal notice to produce it or to complete it within a period of thirty days.</p> <p>Some specific information could be asked in case of a tax audit.</p> <p>The documentation relating to transfer pricing is enforceable against the taxpayers.</p>	
31	<p>Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>An audited enterprise that fails to produce the required documentation or produces partial documentation provided for in Articles L 13 AA and L 13 AB of the Tax Procedure Code can be liable to a fine provided by Article 1735 ter of the General Tax Code. This fine, that cannot be less than EUR 50 000, may reach 0.5% of the amount of transactions covered by the documents undelivered, or 5% of the profits reassessment. In case an enterprise does not fulfil the conditions provided under Article L 13 B of the Tax Procedure Code, Article 1735 of the GCT provides that such enterprise is liable to a fine of EUR 10 000 per tax year.</p> <p>With regard to Article 223 quinquies B of the General Tax Code, the common penalties mechanism is applicable, consisting in the application of a fine of EUR 150 as provided by article 1729 B of the General Tax Code.</p> <p>Finally, as far as the country-by-country report is concerned, the fine provided in Article 1729 F of the GCT cannot exceed EUR 100 000.</p>	<p>Article 1735 ter of the General Tax Code (<i>Code général des Impôts</i>)</p> <p>Article 1735 of the General Tax Code (<i>Code général des Impôts</i>)</p> <p>Article 1729B and 1729F of the General Tax Code (<i>Code général des Impôts</i>)</p>

32	Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The French tax law does not provide any exemption other than those resulting from turnover and / or assets balance thresholds.	
Administrative Approaches to Avoiding and Resolving Disputes			
33	Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?	Please check those that apply: <input checked="" type="checkbox"/> Rulings <input checked="" type="checkbox"/> Enhanced engagement or cooperative compliance programmes <input checked="" type="checkbox"/> Advance Pricing Agreements (APA) <input checked="" type="checkbox"/> Unilateral APAs <input checked="" type="checkbox"/> Bilateral APAs <input checked="" type="checkbox"/> Multilateral APAs <input checked="" type="checkbox"/> International Compliance Assurance Programme (ICAP) <input checked="" type="checkbox"/> Mutual Agreement Procedures <input type="checkbox"/> Other (<i>please specify</i>): Regarding MAP, the French tax administration does apply arbitration with partners with which France has an agreement containing an arbitration clause (39 jurisdictions in June 30 th 2024). For further information on APAs, please refer to the French MAP profile and doctrine PT APA.	France's MAP Profile For further information on APAs, please refer to the French MAP profile, doctrine PT APA .
Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities			
34	Does your domestic transfer pricing framework allow the application of the simplified and streamlined	<input type="checkbox"/> Yes <input type="checkbox"/> No	

	<p>approach for baseline marketing and distribution activities in the relevant Annex of Chapter IV of the TPG?⁵</p>	<p><input checked="" type="checkbox"/> Other (please elaborate)</p> <p>Consistently with the Inclusive Framework political commitment, France applies since January 1st, 2025, the simplified and streamlined approach for baseline marketing and distribution activities ("Amount B") for low-capacity jurisdictions (LCJs) as defined in June 2024.</p> <p>However, France does not apply Amount B for resident in-scope tested parties.</p>	
37	<p>Does your jurisdiction respect the outcome of the application of the simplified and streamlined approach by a covered jurisdiction in line with the Inclusive Framework political commitment?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p><i>Bulletin Officiel des Finances Publiques</i> BOI-BIC-BASE-80-10-50-20250723 of the 23rd of July 2025.</p>
<p>Safe Harbours and Other Simplification Measures</p>			
39	<p>Does your jurisdiction provide for any safe harbours or other simplification measures in respect of certain industries, types of taxpayers, or types of transactions (not listed in other sections of this questionnaire)?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>France provides a simplified APA's procedure and simplified transfer pricing guidelines application for SMEs.</p>	<p>More information Transfer pricing guideline for SMEs</p>

⁵ In the case of jurisdictions that do not apply the simplified and streamlined approach (i.e. they responded "no" to question 34), it is not necessary to respond to questions 35, 36 and 38 and these questions will not be published as part of jurisdiction's transfer pricing country profile.

Other Legislative Aspects or Administrative Procedures

40	Does your domestic transfer pricing framework allow downward corresponding adjustments in the absence of a mutual agreement procedure (e.g. unilateral corresponding adjustments)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>Bulletin Officiel des Finances Publiques</i> BOI-INT-DG-20-40-20250115 of the 15th of January 2025.
41	Does your domestic transfer pricing framework allow or require taxpayers to make year-end adjustments?	<input type="checkbox"/> Yes. Year-end adjustments are required. <input checked="" type="checkbox"/> Yes. Year-end adjustments are allowed. <input type="checkbox"/> No France considers year-end adjustments as a possibility to reach an arm's length price for economic and financial transactions within the limit of the tax statute of limitation. French legal framework does not contain a reference to year-end adjustments. However, in practice, this may be allowed in the event of special circumstances assessed on a case-by-case basis (e.g. change in economic situation or correction of an accounting error).	
42	Does your domestic transfer pricing framework provide for secondary adjustments?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No France makes secondary adjustments when the conditions exposed in the doctrine are met. In application of our domestic legislation, when the adjustment is carried out by the French tax authorities and is considered to constitute a deemed distributed profit, subject to the stipulations of the bilateral tax treaty, a withholding tax may be levied at the conventional rate on the deemed distributed profit. However, if the company agrees to repatriate the sums considered to constitute a transfer of profits within 90 days of receipt of the proposal, the notified withholding tax will not be maintained.	<i>Bulletin Officiel des Finances Publiques</i> BOI-INT-DG-20-30-10-20250115 §520-§530 of the 15th of January 2025 on Mutual agreement procedures.
Attribution of Profits to Permanent Establishments			
43	Which version of Article 7 of the OECD Model Tax Convention on	<input checked="" type="checkbox"/> Article 7 as it read before 2010. <input checked="" type="checkbox"/> If so, please indicate in how many treaties: Please see the reponse below	

	Income and on Capital do your tax treaties contain?	<input checked="" type="checkbox"/> Article 7 as it reads after 2010. <input checked="" type="checkbox"/> If so, please indicate in how many treaties: Please see the reponse below <input type="checkbox"/> Other (please provide additional details)	
		The wording of article 7 in most of France's actual double tax treaties (about 120) corresponds to the pre-2010 version of Article 7 in the OECD Model Tax Convention. Only three of the double tax treaties in force are based on the post-2010 version of Article 7.	
44	For tax treaties containing Article 7 as it read before 2010, does your jurisdiction apply the authorized OECD approach (AOA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (please explain the approach used and which tax treaties are concerned)	
		France has not adopted the Authorised OECD Approaches for the attribution of profits to PEs (AOA). Nonetheless, France has already used this method to solve MAP cases for fiscal years post-2010. In practice, this methodology was used to solve cases involving the banking sector regarding the question of capital allocation.	
45	Does your domestic transfer pricing framework contain specific guidance for the attribution of profits to permanent establishments of non-resident entities? If so, please provide a summary of the main features of this guidance.	<input type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments <input type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments <input type="checkbox"/> Yes, they do not follow the AOA (please provide a summary of the main features of these rules) <input checked="" type="checkbox"/> No	

Other Relevant Information

46	Other legislative aspects or administrative procedures regarding transfer pricing	<p>For more information on the MAP and APA procedures, please refer to the OECD MAP Portal.</p> <p>Use of the administrative cooperation instruments provided for in Articles 28 and 29 of Council Regulation (EU) No 904/2010 of 7 October 2010 and in Articles 11, 12 and 12a of Council Directive 2011/16/EU of 15 February 2011.</p>	<p>Article L45 of the Tax Procedure Code (<i>Livre des procédures fiscales</i>).</p> <p>France's MAP Profile</p>
47	Other relevant information (e.g. <i>whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire</i>)	N/A	

For more information, please visit: <https://www.oecd.org/en/topics/sub-issues/transfer-pricing/transfer-pricing-country-profiles.html>