

## Payment At Source (PAS)

Since 2019 a PAYE system has been implemented throughout France, so income such as salary and French pension are taxed at source. However, if you are receiving your income from sources that the French do not have access to, such as foreign pension, rental income, self-employed (ME) or investment income, then you will 'pay on account' each month, using an estimation of your income from the previous year declaration.

The tax year runs from January through to December and so does your 'Payment on account' and any tax taken through 2022 will be balanced off when your declaration is processed late summer/autumn. If there is a difference between what you paid during 2022 and your actual tax liability, those payments will be taken during the last quarter of 2023. Therefore you may be paying the rest of 2022 tax liability and the continuation of 2023 tax liability. At this point the payments for 2023 also may have increased.

If you decide to leave France your tax obligations stop on the day of departure. As the year of departure is a partial year it is possible to request an adjustment or even stop future payments.

In the event of leaving France say July 2022 any overpayments will be repaid once the declaration for that year has been processed in September 2023. It is important to maintain a bank account open until your tax affaires have been settled.