

HOW DO TOURIST TAXES WORK IN FRANCE?



these taxes and how do they work?

You are about to go on a holiday trip to a French region. To avoid unpleasant surprises, you have decided to find out about the tax system for seasonal rentals in the town you are going to visit, and you are right to do so, because stays in hotels, furnished accommodations or vacation villages often generate tourist taxes, which are added to the cost of the accommodation. But what are

What Is a Tourist Tax?

The tourist tax is a seasonal rental tax. It is nowadays claimed in several French communes, mainly those with a tourist vocation.

If you plan to rent in confidence in this type of municipality, then you will have to provide for the payment of this tax. **The tax is collected from tourists or vacationers staying in tourist towns by all rental companies.** The latter - whether they are professionals or individuals - are then responsible for paying it to their local authorities.

The revenue thus generated not only provides the municipalities concerned with additional resources but also improves the tourism offered throughout their territories.

How Much Are the Tourist Taxes?

The cost of seasonal rental taxation generally depends on the type of furnished accommodation rented. You may not be aware of it, but two main types of furnished rentals are often offered in tourist-oriented communities. These are unclassified furnished rentals (or rentals awaiting classification) and classified furnished rentals.

Unclassified Furnished Rentals

In the furnished rental pending classification, the tax calculation seasonal rental is no longer fixed. Indeed, since January 1, 2019, it has moved to a proportional rate. Thus, the declaration of the income of unclassified furnished seasonal rental is now done on the basis of the following elements:

- the territory: each tourist-oriented municipality has its own operating mode, its own assets and therefore its own rates
- the type of accommodation: hotel, camping, etc.
- the classification of the establishment: 1 to 5 stars
- the number of people renting: here, only people who have reached the age of majority are subject to the tourist tax;
- the price of the rent excluding tax: in seasonal rental, the taxes are calculated only on the rent excluding tax
- the number of nights: the longer you stay in a hotel, the higher your tourist tax will be.

Furnished Rentals

For seasonal furnished rentals, the tax system has remained unchanged to date. Indeed, the fixed

rate is still in force. This one depends mainly on:

- number of persons subject to the tourist tax
- number of nights
- tourist tax rate set by the municipality hosting the visitor

In general, the amount of tourist tax is determined either by the deliberative body of the public institution for inter-municipal cooperation (EPCI- PIIMC) or by the municipal council of the local authority. It is generally between 0.20 and 4.20 Euros per night and per person. The landlord is required by law to display the tourist tax rate applied in the establishment. Therefore, find out about it as soon as you arrive on the premises to avoid unpleasant surprises when renting out your property for the season.

Which Accommodations Are Covered by This Tax?

The accommodations targeted by this tax are those located in the municipality with a tourist vocation. These include hotels, hotel rooms, vacation villages, furnished tourist accommodations, youth hostels, open-air accommodations, palaces and marinas.

Who May Be Exempted from the Tourist Tax?

In seasonal rental, the tax system does not apply to all persons staying in local tourist communities. Indeed, some of them are exempt from the tax on seasonal furnished rentals. This is for example the case of:

- holidaymakers or tourists who have not yet reached the age of majority (18 years)
- people in emergency housing or who are temporarily rehoused
- persons who have leased dwellings for which the rent is less than an amount fixed by City Council
- seasonal workers working in the municipality in question.

How to Pay the Tourist Tax?

The payment of the tourist tax is done at the end of the stay. Indeed, the landlord, hotelier or owner of the property sends an invoice to the tourist. In this invoice, the amount of the tourist tax and the price of the accommodation are clearly specified. **However, it may happen that the establishment opts for a flat-rate tourist tax.**

In this case, the declaration of seasonal rental is made directly by the person responsible for the accommodation to the municipality. Its price may or may not have an impact on the final cost of the accommodation. And if it turns out that it does, the customer invoice provided will then bear the words "tourist tax flat rate included".

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