

A faint, angled background image of a French invoice. The word 'Facture' is printed in large, bold, dark blue letters across the center. Above it, in smaller text, are 'Téléphone' and 'Télécopie'. The background is a gradient from blue on the left to yellow on the right.

Facture

Insight ...

Are you invoices (still) compliant in 2024

Update of decree n° 2024 - 266 of 25 march 2024

April 2024

INSIGHT...

Are you invoices (still) compliant in 2024 ?

Update of decree n° 2024 – 266 of 25 march 2024

VAT-registered businesses are required to include many details on invoices, and the penalties can be very severe. Decree no. 2024-266 of 25 March 2024 considers the implications of the change in the timetable for the reform of electronic invoicing. As a result, taxable businesses will have to include the 5 new mandatory statements on invoices issued, following the same timetable as that for the general obligation to use electronic invoicing.

Reminders

Article 289 of the General Tax Code sets out the cases in which a taxable person is obliged to issue an invoice. The compulsory information is listed in article 242 nonies A of appendix II of the CGI.

The following operations are not covered by this information:

- Supply of goods as part of distance selling of movable property to non-taxable European persons (VAD) under Article 258 A of the CGI,
- Intra-Community supplies of goods to persons benefiting from a derogation under Article 258 B of the General Tax Code,
- Intra-Community supplies exempted under I of article 262 ter of the CGI,
- Intra-Community supplies by a taxable person of a new means of transport covered by II of Article 298e.

Article 242 nonies A of Appendix 2 of the French General Tax Code has been expanded to include 5 new compulsory items of information:

- The taxable person's identification number (SIREN),
- The customer's identification number (SIREN),
- The delivery address for the goods, if different from the billing address,
- Information to the effect that the transactions giving rise to the invoice consist exclusively of the supply of goods, or exclusively of the supply of services, or consist of these 2 categories of transactions,
- The option to pay VAT on a debit basis, if this option is exercised.

Summary of compulsory general tax information, including the 5 new compulsory items of information

- 1° Full name, **SIREN identification number** and the address of the taxable supplier and its customer ;
- 2° The individual VAT identification number of the supplier under which the goods or services were supplied (this provision does not apply to transactions of €150 or less excluding VAT);
- 3° The value added tax identification numbers of the vendor and the purchaser in the case of intraCommunity supplies;
- 4° The supplier's VAT identification number and the number supplied by the customer for services for which the customer is liable to pay tax (reverse charge);
- 5° Where the person liable for the tax is a tax representative, the individual VAT identification number allocated to this tax representative, together with his full name and address;
- 5°a Where the supply of goods or services is carried out by a member of a VAT group, the words "Member of a single taxable person" and the name, address and individual VAT identification number of that member;
- 6° The date of issue of the invoice ;
- 7° A unique invoice number based on a chronological and continuous sequence. Numbering may be established under these conditions in separate series where this is justified by the conditions under which the taxable person carries on his business; the taxable person must make use of the separate series in accordance with their initial justification ;

7° bis The delivery address of the goods, if different from the customer's address ;

8° For each of the goods supplied or services rendered, the quantity, precise description, unit price excluding tax and the rate of value added tax legally applicable or, where applicable, the benefit of an exemption ;

8°a Information to the effect that the transactions giving rise to the invoice consist exclusively of the supply of goods or exclusively of the supply of services or consist of both categories of transactions;

9° Any rebates, discounts, refunds or cash discounts acquired and quantifiable at the time of the transaction and directly linked to that transaction; (this provision does not apply to transactions for which the European taxable customer self-assesses VAT in his country of origin);

10° The date on which the supply of goods or services is effected or completed, or the date on which the deposit on the supply of movable property is paid, insofar as such a date is determined and is different from the date of issue of the invoice;

11° The amount of tax payable and, for each tax rate, the total excluding tax and the corresponding tax, shown separately;

11° bis Where the service provider has opted for payment of the tax on the basis of debits, the words : "Option to pay tax on debits ;

12° In the case of an exemption, the reference to the relevant provision of the General Tax Code or the corresponding provision of Council Directive 2006/112/EC of 28 November 2006 or any other indication that the transaction benefits from an exemption measure (this provision does not apply to transactions where the amount is less than or equal to €150 excluding VAT);

13° Where the purchaser or lessee is liable for the tax, the words: "Reverse charge" ;

14° Where the customer issues the invoice in the name and on behalf of the taxable person, the words : "Self-billing" ;

15° Where the taxable person applies the special scheme for travel agents, the words "Special scheme for travel agents" ;

16° Where the margin VAT scheme is applied, the words "Special scheme - second-hand goods", The "Special scheme for works of art" or "Special scheme for collectors' items and antiques" depending on the transaction in question;

17° The characteristics of the new means of transport as defined by its specific regulations;

18° Separately, the auction price of the item, the taxes, duties, levies and taxes as well as the ancillary costs such as commission, packaging, transport and insurance costs requested by the organiser from the buyer of the item, for deliveries at public auction. This invoice must not mention value added tax.

Since 2022

If the supplier (or customer) is a **sole trader** (including a self-employed entrepreneur), their **name or business name must appear preceded or followed by the words "entrepreneur individuel" or the initials "E.I"**, **as with all their other business documents** (quotes, correspondence, order or delivery notes, bank accounts, etc.).

Mandatory tax information specific to certain sectors

Since 1 July 2021, invoices for the following categories of goods have been required to state that the seller provides a legal guarantee of conformity for a minimum of 2 years from the date of delivery to the consumer:

- Household appliances,
- IT equipment,
- Consumer electronics,
- Telephone equipment,
- Cameras,
- Electric or internal combustion engine-powered DIY or gardening equipment,
- Games and toys, including video game consoles,
- Sporting goods, • Watches and watchmaking products,
- Lighting products and luminaires,
- Sunglasses,
- Furnishings.

This obligation does not apply to the purchase of goods under an off-premises or distance contract.

Mandatory tax information specific to certain transactions

Beneficiaries of VAT exemption

- The words "TVA non applicable, article 293 B du Code général des impôts" (the invoice must not indicate the rate or amount of VAT).

Intra-Community supplies of goods

Where the conditions for exemption of an intraCommunity supply of goods are met, the invoice must show :

- The seller's and buyer's intra-Community VAT numbers,
- The words "Exempt from VAT, article 262 ter, I of the CGI" (the invoice must not indicate the rate or amount of VAT).

Intra-Community supplies of new means of transport

Where the intra-Community supply of a new means of transport is exempt from VAT (Article 298e II of the General Tax Code), the invoice must indicate :

- The characteristics of the means of transport (Member State of destination of the vehicle, type of vehicle, make, type and serial number of the type, engine capacity or fiscal power, where applicable the registration number and date of first registration, date of delivery and distance travelled on the day of delivery),
- The sale price excluding tax,
- The words "Exempt from VAT, article 298 sexies of the CGI".

Penalties

The 2022 Finance Act has rewritten Article 1737 of the General Tax Code. Henceforth, in the event of the absence of an invoice or an inaccurate or incomplete invoice, the penalties will be as follows;

1 - The authorities may impose a **fine equal to 50% of the amount:**

• When the invoice is issued :

- Attempts to conceal the identity or address of the customer or supplier,
- Allows you to knowingly accept the use of a false identity or alias.

• When the invoice does not correspond to an actual delivery or service,

- When an invoice has not been issued for a transaction and the transaction has not been recorded in the accounts.

The professional customer is jointly and severally liable for payment of this fine, which may not exceed €375,000 per financial year. However, where the transaction has been recorded in the accounts, the fine is reduced to 5% and may not exceed €37,500 per financial year.

These provisions do not apply to retail sales or services provided to private individuals (except in the case of services involving building work).

2 - **Any omission or inaccuracy will give rise to a fine of €15, up to a maximum of 1/4 of the total amount** that is or should have been mentioned.

3 - **Failure to comply with the obligation to issue an invoice in electronic form will result in the application of a fine of €15 per invoice**, with the total fines applied in any one calendar year not to exceed €15,000.

4 - **Any omission or failure by an operator of a dematerialisation platform to comply with data transmission obligations will give rise to a fine of €15** per invoice for which the platform is liable, with the total fines applied in respect of a single calendar year not to exceed €45,000.

Apart from a few exceptions, the fines are not applicable in the case of a 1st offence committed during the current calendar year and the 3 previous years, when the offence has been remedied spontaneously or within 30 days of an initial request from the authorities.

As a reminder, in the case of intra-Community VAT fraud, failure to comply with the compulsory information may result in all parties in the supplier/customer chain being held jointly and severally liable.

Timetable for electronic invoicing

The obligation to dematerialise invoices (and send them to the authorities as part of e-invoicing) will come into effect:

- **To all VAT taxable persons in receipt from 1 September 2026,**
- **To large companies, mid-sized companies, and members of VAT groups,** on issue from 1 September 2026,
- **To small, medium-sized and micro-businesses, on issue** from 1 September 2027.

The dates mentioned for the issue may be postponed by up to 3 months.

Other transactions subject to VAT but not subject to invoicing (transactions recorded by a cash register) **will also have to be sent to the authorities as part of the e-reporting process, using the same timetable as for paperless invoices.**

Timetable for implementation of the 5 new mandatory statements on invoices

Following decree no. 2024-266 of 25 March 2024, invoices in electronic format within the meaning of the reform will have to include the 5 new compulsory statements from :

- **1 September 2026** for invoices issued by large businesses, medium-sized businesses and members of a single taxable entity;
- **1 September 2027** for invoices issued by SMEs and micro-businesses.



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