

Your Tax Return in 2024

The elements of taxation in this Factsheet apply to **French residents for tax purposes**.

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The method of **taxation of investment income**, including dividends received and capital gains realized in 2023, can be chosen between :

- the **Single Flat Tax** (flat tax or, in French, *Prélèvement Forfaitaire Unique* or *PFU*) of **30%**;
- **Income tax** (in French *IR*) on a progressive scale.

You may choose a **different taxation mechanism each year** and this mechanism will apply to **all of your investment income**. Air Liquide therefore advises you to assess your overall taxation of dividends and capital gains using **both methods** before selecting **one of the two options**.

Capital gains taxation

Option A

- **Flat tax (PFU), 30%**
 - **Social contributions: 17.2%** on all capital gains, without deduction
 - **Income tax: 12.8%** on capital gains without deduction
Regardless of the acquisition date of shares

OR

Option B

- **Income tax (IR) on a progressive scale**
 - **Social contributions: 17.2%** on all capital gains, without deduction
 - **Shares acquired before 01/01/2018**
Progressive scale of income tax after the application, where applicable, of a deduction for seniority^(a).
 - **Shares acquired from 01/01/2018**
Progressive scale of income tax without the application of a deduction for seniority

Dividend taxation

Option A

- **Flat tax (PFU), 30%**
 - **Social contributions: 17.2%** on the gross amount of dividends, without deduction
 - **Income tax: 12.8%** on the gross amount of dividends, without deduction

OR

Option B

- **Income tax (IR) on a progressive scale**
 - **Social contributions: 17.2%** on the amount of gross dividends without deduction
 - **Income tax based on a progressive scale** on the amount of gross dividends after the 40% deduction

(a) The deduction amount is 50% for a seniority of between two and eight years, and 65% for a seniority of at least eight years.

How do I complete my tax return?

To help you choose between the tax methods available to you, before you complete your tax return for 2023 income, we recommend using **the tax authorities' simulator available on the impots.gouv.fr website** and choosing your tax method between **the 2 options** proposed in step 1 below:

Step 1

Option A, I opt for:
the flat tax (PFU) of 30%
 I leave box **20P** unchecked
 in the **2042** form

OR

Option B, I opt for:
the progressive scale
 I check box **20P** in the **2042** form

Step 2

The amount of my dividend, which is pre-completed by the tax authorities, is shown in the **2042** form in box **2BH** (*Revenus déjà soumis aux prélèvements sociaux avec CSG déductible si option barème*) and any advance withholding tax payment deducted when the dividend was paid is shown in box **2CK** (*Prélèvement forfaitaire non libérateur déjà versé en 2023*).

Step 3

In the event of a capital gain in 2023, I must complete the amount of my capital gain in the **2042C** form in box **3VG** (*Plus-value sans application d'abattement*) without taking into account the deduction for seniority.

Step 4

Only for Option B
 I fill in any deductions for share seniority in box **3SG** (*Abattement pour durée de détention de droit commun*) of the **2042C** form.

Please note: the boxes and forms listed in the table above will be announced by the tax authorities in April 2024, after the date of publication of this document. We invite you to check that the elements mentioned are correct. If you have any questions, tax authorities are your primary contact.

The payment of tax on dividends received in 2024 is carried out in two stages

- 1. In 2024**, when **dividends are paid** following the 2023 **fiscal year**:
 - If you have sent a request to your account manager for exemption from advance withholding before November 30, 2023, **only the social contributions of 17.2%** will be withheld;
 - If you did not send the request to your account manager to benefit from this exemption before November 30, 2023, **social contributions of 17.2%** will be withheld **along with advance withholding of 12.8%**, i.e. a **total advance withholding of 30%**.
- 2. In 2025**, when you **pay** the balance, if any, depending on the tax method chosen, of **your income tax on your 2024 investment income**. **This will depend on the tax method chosen.**

Good to know...

The payment of tax **on capital gains and losses** on the sale of securities **received in 2023** will be due to the tax authorities in **September 2024**.