FRANCE

SIMPLIFIED JOINT-STOCK COMPANY (SAS)
CLIENT GUIDE 2026

Company formation, territorial taxation
and annual compliance

Professional company formation
and ongoing corporate administration

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France SAS at a Glance

The Société par Actions Simplifiée (SAS) is a flexible French commercial company widely used by privately held and international businesses. A single-shareholder version is known as a SASU. The articles provide substantial freedom to organise governance, shareholder rights and decision-making.

Topic	Current legal / practical position
Shareholders	One or more shareholders; a sole shareholder forms a SASU. Shareholders may be natural persons or legal entities. Foreign ownership is generally possible, subject to investment-screening and regulated-sector rules.
President	A SAS must have a President, who represents the company toward third parties. Additional management bodies may be created by the articles.
Registered office	A French registered office (siège social) is required and evidence of the right to occupy/use the address forms part of the registration file.
Share capital	Minimum capital is EUR 1. At least half of cash contributions must be paid on incorporation; the balance is payable within five years.
Incorporation	Articles, capital deposit, legal notice and registration through the national business formalities portal are core formation steps.
Beneficial owners	Beneficial owners are declared at formation and changes must be reported. The principal control threshold is more than 25% of capital or voting rights, with control tests also applying.
Corporate income tax	Normal corporate income-tax rate: 25%. Qualifying SMEs can access 15% on the first EUR 42,500 of profit, subject to conditions.
VAT	Standard metropolitan VAT rate: 20%; reduced rates include 10%, 5.5% and 2.1% for specified transactions.

Key Benefits for International Clients

- Highly flexible articles and governance, with a single-shareholder SASU available.
- EUR 1 statutory minimum capital, although commercially appropriate funding is strongly recommended.
- France applies an important territorial principle for corporate income tax: in principle, French companies are taxed on profits attributable to business carried on in France, while profits of foreign enterprises/operations can fall outside French corporate tax.
- Qualifying SMEs can access the 15% corporate-tax band on the first EUR 42,500 of taxable profit.
- France offers broad participation relief for qualifying dividends and a 0% long-term capital-gains rate for qualifying participation shares, subject to a taxable expense add-back.
- Eligible intellectual-property income can benefit from a 10% tax rate under the French IP regime.

Important 2026 Tax Position

France has territorial corporate-tax features - but foreign invoices are not automatically tax-free

Official French tax guidance states that, in principle, a French company is not taxed on profits it realises abroad and declares profits realised throughout French territory. The result depends on where the business is actually carried on, permanent establishments, treaty allocation and anti-avoidance rules. Simply billing foreign clients from a French operation does not create 0% tax.

Ownership, Governance & Share Capital

Topic	Current legal / practical position
Shareholders	One or more; SASU if there is one shareholder. Foreign individuals and companies may hold shares, subject to applicable investment-control and sector rules.
President	Mandatory. The President has statutory power to represent the SAS toward third parties.
Other officers	The articles may establish managing directors, boards, committees or other governance arrangements.
Capital	Minimum EUR 1. Cash and in-kind contributions are permitted; industry contributions may be provided but do not form part of share capital.
Cash payment	At least 50% of subscribed cash capital is paid at incorporation; the remainder is paid within five years.
Registered office	A French siège social is mandatory.
UBO	Beneficial ownership is reported through the business formalities system and kept current.

Corporate Income Tax - Territorial Principle & 25% Rate

France's official international-business guidance states that, in principle, a French company is not taxable on profits it realises abroad; the annual taxable profit is the profit realised throughout French territory. French-source business profits are normally taxed at 25%. The territorial analysis must be based on the actual place of business, foreign permanent establishments, treaty rules and any special anti-avoidance provisions.

A legitimate foreign-profit exclusion may exist

This is materially different from a worldwide corporate-tax system. Genuine profits attributable to business carried on abroad can, in principle, fall outside French corporate income tax. However, foreign customers, a foreign bank account or offshore invoicing alone do not move a French-operated business outside the French tax base.

SME Rate - 15% on First EUR 42,500

A qualifying SME can apply 15% corporate income tax to the first EUR 42,500 of profit. Official 2026 guidance confirms conditions including turnover not exceeding EUR 10 million, fully paid capital and at least 75% ownership by natural persons (or qualifying companies). Profit above the band is taxed at 25%.

Participation & IP Regimes

France provides substantial holding-company relief. Qualifying participation dividends can benefit from a broad exemption subject to a taxable expense-and-charges fraction. Qualifying long-term gains on participation shares are subject to a 0% rate, with a 12% gross-gain expense-and-charges add-back taxed at the normal rate. Eligible net income from qualifying patents and related industrial-property assets may be taxed at 10% under the IP regime.

VAT - 20%

The standard VAT rate in metropolitan France is 20%, with 10%, 5.5% and 2.1% rates for specified goods and services. EU and international supplies require transaction-specific place-of-supply, exemption, intra-EU and export analysis.

Formation Process & Documents Required

1. Structure and French tax review 2. Name, business activity and registered office 3. Shareholder / UBO and President KYC 4. Articles and capital subscription 5. Capital deposit certificate 6. Legal announcement 7. Online registration through the Guichet unique 8. Tax, VAT, payroll and regulated-activity registrations where applicable

Company creation formalities are filed electronically through France's national business formalities portal. The registration file includes the constitutional documents and supporting evidence appropriate to the SAS, its registered office, officers, shareholders and beneficial owners.

Official Government / Registry Fees

The official formalities portal publishes tariffs in force from 1 March 2026. For creation of a commercial company, the RCS registry emolument for the principal registration by creation is EUR 22.14 excluding tax. The beneficial-owner declaration at registration is EUR 16.11 excluding tax. Other mandatory formation costs, including the legal announcement, vary by company form and publication location. BRIS and third-party professional fees are quoted separately.

Documents Required from the Client

- Passport / acceptable ID for shareholders, President, other officers and UBOs.
- Recent proof of residential address.
- For corporate shareholders: registry extract, constitutional documents, directors and full ownership chain.
- Proposed company name, French registered office and detailed business activities.
- Shareholding, capital, share classes and governance / signing arrangements.
- Capital-deposit documentation and bank information.
- Expected countries of operation, customers, suppliers, turnover and transaction profile.
- Source-of-funds and, where appropriate, source-of-wealth evidence.
- Certified / apostilled / translated documents where required.

Accounting, Annual Accounts & Audit

A SAS must maintain accounting records, prepare annual accounts and approve them under the Commercial Code. Annual accounts are filed electronically with the competent register through the formalities system. Depending on size, group position and other statutory criteria, appointment of a statutory auditor (commissaire aux comptes) may be required.

Audit is threshold- and circumstance-based

Do not assume that every SAS requires a statutory auditor. The current thresholds, group relationships, controlled/controlling-company status and any voluntary or court-requested appointment must be checked for the particular company.

Annual Compliance Checklist

- Maintain French registered office and current registry particulars.
- Keep beneficial-owner information current.
- Maintain statutory corporate records and shareholder decisions.
- Prepare, approve and file annual accounts.
- File corporate income-tax returns and pay instalments/balance where applicable.
- File VAT returns and EU reporting where applicable.
- Operate payroll/social-security compliance for employees and remunerated officers where applicable.
- Review withholding tax and treaty documentation before cross-border payments.
- Reassess territorial-profit attribution, SME rate and participation relief annually.

International Business & Tax Planning

France is unusual among major European jurisdictions because corporate income tax is fundamentally territorial for business profits. Official French tax guidance states that a French company is, in principle, not taxed on profits it realises abroad. This can be highly relevant for genuinely foreign business operations, but the exclusion depends on where the enterprise is actually carried on and cannot be created merely by foreign invoicing.

Where a genuine 0% French corporate-tax result can arise

Genuine profits attributable to a business carried on outside France can, in principle, be outside French corporate income tax under the territorial system. In addition, qualifying long-term gains on participation shares have a statutory 0% rate, although 12% of the gross gain is added back as taxable expenses and charges. These are specific legal outcomes, not a blanket offshore exemption.

Dividends, Participation Relief & Treaties

France provides broad relief for qualifying dividends received by parent companies and maintains an extensive treaty network. Outbound dividend withholding depends on the recipient, residence, ownership, EU-law relief, treaty provisions and anti-abuse conditions. The exact rate should therefore be verified before each distribution rather than applying a single rate to all foreign shareholders.

How BRIS Group Supports You

Structure & tax review - Assess SAS/SASU suitability, French territorial taxation, foreign establishments, SME rate, participation relief, IP regime, VAT and treaty issues.

Company formation - Coordinate articles, capital deposit, legal notice, Guichet unique registration and registered-office arrangements.

KYC / UBO - Coordinate shareholder, President, beneficial-owner and source-of-funds / source-of-wealth due diligence.

Accounting & compliance - Coordinate bookkeeping, annual accounts, corporate tax, VAT, payroll and statutory-audit support where required.

Banking - Prepare corporate and KYC documentation and coordinate banking support where available.

Professional Fees & Official Sources

Professional fees are quoted separately

This guide is informational and is not a fee quotation. BRIS Group professional fees and third-party costs - including registered office, legal announcement, translations, accounting, tax, payroll, audit, regulatory work and banking support - are quoted separately according to the required services.

Official sources reviewed for this 2026 guide: impots.gouv.fr / DGFiP and BOFiP - territorial corporate income tax, 25% and SME rates, participation gains, IP regime and VAT; Entreprendre.Service-Public.fr - SAS and company-formation requirements; INPI / Guichet unique des formalités des entreprises - 2026 registration tariffs, beneficial-owner and filing formalities; French Commercial Code / tax legislation as referenced by the competent authorities.

PREPARED BY BRIS GROUP

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Professional incorporation and corporate administration for international clients.