

French Tax Rates Summary 2026

Income Tax Scale applicable to 2025 Income -

Impôt sur le revenu (CGI 1971-1)

Band of Income (€)		Tax Rates	
Up	to	11,600	0%
11,600	to	29,579	11%
29,579	to	84,577	30%
84,577	to	181,917	41%
In excess of		181,917	45%

Pensions and salaried income receive an allowance of 10% up to a maximum of €4,439 for pensions and €14,555 for salaried income. There is an age allowance for individuals aged 65 and above with an income of less than €28,430. The above is then divided into the number of “parts” of the household, further reducing your income tax liability.

Property Wealth Tax -

Impôt sur la fortune immobilière (CGI 977)

On the value of buildings (and funds invested in such) as of 1st January for those with assessable assets exceeding €1,300,000. Payable in June

Taxable Wealth (€)		Tax Rates	
Up	to	800,000	0%
800,000	to	1,300,000	0.50%
1,300,000	to	2,570,000	0.70%
2,570,000	to	5,000,000	1.00%
5,000,000	to	10,000,000	1.25%
In excess of		10,000,000	1.50%

There are allowable deductions for wealth tax, such as 30% of the value of your principal residence.

Capital Gains Tax - *Impôt sur les plus-values*

Most **investment income** in France is taxed under the *Prélèvement Forfaitaire Unique* (PFU), which applies to interest, dividends, and gains on financial investments.

Flat tax rate: 30%, made up of 12.8% income tax and 17.2% social charges. Taxpayers may elect to use the progressive income tax scale instead of PFU if it is more favourable.

Property gains are taxed at 19% plus social charges of 17.2%. There are reliefs linked to the period of ownership. Full exemption after 22 years for tax and 30 years for social charges.

Capital gains above €50,000 may be subject to an additional surcharge of between 2% and 6%.

The sale of a principal private residence is exempt from capital gains tax.

Inheritance Tax Rates - *Droits de succession*

The rates shown are *per beneficiary*.

Between Spouses (CGI 777-TII)

Transfers between spouses or members of a PACS agreement are exempt from French inheritance tax upon the death of a partner. However, inheritance tax on lifetime gifts remains, and the following rates apply after a tax-free allowance of €80,724 (CGI 790-E&F)

Band of Value (€)		Tax Rates	
Less than		8,072	5%
8,072	to	15,932	10%
15,932	to	31,865	15%
31,865	to	552,324	20%
552,324	to	902,838	30%
902,838	to	1,805,677	40%
In excess of		1,805,677	45%

Between Parents and Children (CGI 777-TI)

Allowance of €100,000 per child, then as follows:

Band of Value (€)		Tax Rates	
The next		8,072	5%
8,072	to	12,109	10%
12,109	to	15,932	15%
15,932	to	552,324	20%
552,324	to	902,838	30%
902,838	to	1,805,677	40%
In excess of		1,805,677	45%

Grandparents to Grandchildren (€) (CGI 790-B)

The gift tax allowance for a lifetime gift from a grandparent to a grandchild is €31,865. It is fixed at €5,310 for lifetime gifts made by a great-grandparent.

Between siblings (€) (CGI 777-TIII)

Less than	*15,932	0%
The next	24,430	35%
Over	24,430	45%

* Where the siblings were living together 5 years before death, and the deceased was disabled, the tax-free allowance increases.

Between other relatives (to 4th degree) (€) (CGI 779-V)

Less than	7,967	0%
Over	7,967	55%

Between unrelated persons (€) (CGI 778-IV & 779-II)

Less than	1,594	0%
Over	1,594	60%
Handicapped person	€159,325	0%

All the above allowances are reset every 15 years.

This information was current as of March 2026 – Updated annually on www.kentingtons.com

The information contained in this document is for information purposes only and should never be acted upon without professional advice. Kentingtons can accept no responsibility whatsoever for losses incurred by acting on the information contained within this document.