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# Income tax - Business expenses: lump sum or actual expenses (deduction)

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## i Income tax: 2022 income tax return for 2021

This page is updated for the 2021 tax return.

However, forms, online services and information documents are not yet available for the 2022 campaign and will be posted as soon as they become available.

Your salary is subject to income tax after deduction of professional expenses (transportation expenses from home to work, clothing specific to the job being performed, etc.). You have a choice between the standard deduction of 10% and deducting your business expenses for their actual amount.

## 10% flat deduction

The standard deduction 10% is automatically calculated on your salary to account for current work expenses related to your job.

The main current business expenses are:

- Travel from home to work
- Work-site catering costs
- Documentation and updating of professional knowledge

The deduction shall be at least €448 for each member of the tax household.

Its maximum is €12,829 for each member of the household.

If you choose the lump sum deduction, you have no steps to take. Administration automatically applies lump sum deduction of 10% on your salaries.

The 2021 reporting period of the revenues has ended. The 2022 income tax return for the year 2021 will take place in April 2022.

## Deduction of actual costs

If you believe that the 10% does not cover your expenses, you can choose to deduct your business expenses for their actual amount.

### What are the requirements?

The deduction of actual expenses applies to all wage income.

You cannot choose the 10% for part of your wages and the deduction of actual expenses, for the other.

However, each member of tax centre may choose the most favourable regime.

Your expenses must meet the following conditions:

- Serve your business
- To be paid in 2021
- Be justified (you must be able to provide documents attesting to the reality and amount of the charges)

### What are the main categories of deductible expenses?

The main deductible expenses are:

- [Transportation costs to the workplace](https://www.impots.gouv.fr/portail/particulier/frais-de-transport)  (<https://www.impots.gouv.fr/portail/particulier/frais-de-transport>)
- [Meal](https://www.impots.gouv.fr/portail/particulier/frais-de-repas)  (<https://www.impots.gouv.fr/portail/particulier/frais-de-repas>)
- Business Travel
- Training costs
- Premises and professional equipment

To calculate your mileage charge, you can use this simulator:



Actual: calculate your mileage

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Go to  
simulator ↗

(<https://www.impots.gouv.fr/portail/simulateur-bareme-kilometrique>)

➔ **FYI** : for electric vehicles, the amount of travel expenses shall be increased by 20 %.

## How to report?

If you choose to deduct actual expenses, you must:

- ▶ Enter the amount of business expenses you claim
- ▶ Detail your actual costs (specify their nature and amount) in an attached note
- ▶ If necessary, add to your taxable remuneration the allowances your employer paid you for professional expenses

You must keep supporting documents (invoices, restaurant notes, etc.) for 3 years.

➔ **FYI** : in case of carpooling on your commute, only the amount of the cost that remains to be paid once the share is made can be deducted from the income.

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## Statute and miscellaneous references

- General tax code: Articles 82 to 84a ↗ (<https://www.legifrance.gouv.fr/codes/id/LEGISCTA000006197201/>)  
*Determination of net taxable income (sections 82 and 83)*
- Bofip-Taxes n°BOI-BAREME-000003 relating to fuel costs in € per km applicable for 2020 ↗ (<http://bofip.impots.gouv.fr/bofip/2095-PGP.html>)
- Bofip-Taxes n°BOI-RSA-BASE-30-50 relating to the professional expenses of employees deductible from gross income ↗ (<http://bofip.impots.gouv.fr/bofip/2370-PGP.html>)
- Bofip-Taxes No. BOI-BAREME-000001 on the flat-rate assessment scale for the cost price per kilometre for motor vehicles and motorised two-wheelers ↗ (<http://bofip.impots.gouv.fr/bofip/2185-PGP.html>)
- Order of 15 February 2021 fixing the schedule of travel expenses relating to the use of a vehicle ↗ (<https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000043155901>)

## Online services and forms

- Taxes: access your Home (<https://www.service-public.fr/particuliers/vosdroits/R3120?lang=en>)  
Online service
- 2021 Online 2020 Income Statement (<https://www.service-public.fr/particuliers/vosdroits/R1280?lang=en>)  
Online service
- Income tax return (paper) (<https://www.service-public.fr/particuliers/vosdroits/R1281?lang=en>)  
Form
- Calculator for 2021: 2020 income tax (<https://www.service-public.fr/particuliers/vosdroits/R2740?lang=en>)  
Simulator
- Actual: calculate your mileage (<https://www.service-public.fr/particuliers/vosdroits/R3080?lang=en>)  
Simulator

## For more information, please contact

- Tax Site ↗ (<https://www.impots.gouv.fr/portail/>)  
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- Business expenses: deduction of actual costs ↗ (<https://www.impots.gouv.fr/portail/node/4115>)  
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- Meal ↗ (<https://www.impots.gouv.fr/portail/particulier/frais-de-repas>)  
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- Freight ↗ (<https://www.impots.gouv.fr/portail/particulier/frais-de-transport>)  
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- 2021 Practice Brochure - 2020 Income Tax Return ↗ ([https://www.impots.gouv.fr/portail/www2/fichiers/documentation/brochure/jir\\_2021/accueil.htm](https://www.impots.gouv.fr/portail/www2/fichiers/documentation/brochure/jir_2021/accueil.htm))  
Ministry of Finance
- Income tax: information leaflets ↗ (<https://www.impots.gouv.fr/portail/node/11603>)

