

An artist/author can benefit from a VAT exemption when his/her previous year's gross income is under €42,600. This exemption ceases to apply when the gross income for the current year goes over €52,400.

Invoices must mention the law applicable : "VAT not applicable as per article 5 of act n° 91-716 of 26 July 1991"

An author benefiting from the exemption can opt to pay the VAT which will take effect from the first day of the month of the declaration. This option must cover a period of two years renewable by tacit agreement unless cancelled at the end of each period. This means the VAT deductible from professional costs can be claimed.

Unless indicated otherwise by the author, publishers, royalty collecting and distribution societies and producers who pay royalties must retain the amount of VAT due by the author, subject to the deduction fixed at a lump sum of 0.8% of the royalties (0.4 % in overseas departments), and declare and pay this amount to the Treasury under the same conditions and subject to the same VAT penalties as associated with their own operations.

Important : The author must indicate his status and Intracommunity VAT number to his business partners and state that he/she waives the deduction at source system.

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