

GMS Flash Alert

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France – New Procedures for Declaring Transfer of Residence Outside France

In a change meant to combat social security fraud, individuals leaving France who had been subject to French social security will now be required to declare their transfer of residence outside France to the relevant social security organization. The declaration will be made by filing new form S1105 within a month of departure.¹ For employees, this declaration will be made to the *Caisse Primaire d'Assurance Maladie*, and is made under pain of penalty.

WHY THIS MATTERS

Employers sending employees abroad will need to make them aware of their obligation to notify the authorities of their departure, if the employees were previously contributing to the French social security system.

Further Details

Employees who remain covered by the French mandatory social security system (by virtue of EU regulation 883/2004 or a bilateral social security agreement) do not need to complete the form.

Employees who are no longer insured on a mandatory basis in France must also surrender their health insurance card (*Carte Vitale*) and European Health Insurance Card. However, if they are covered on a voluntary basis by the *Caisse des Français de l'Etranger*, they should keep their *Carte Vitale* in order to facilitate reimbursements of health-care costs.

Failure to notify the authorities of a change of situation with a view to obtaining social benefits may result in financial penalties in accordance with Article L. 114-17-1 of the Social Security Code. These vary depending on the gravity of the offence.

Fraud or misrepresentations committed in order to obtain benefits can result in criminal prosecution.

FIDAL NOTE

It will be important for employees and their employers to understand the new requirement, including whether the form needs to be completed and whether the *Carte Vitale* needs to be surrendered. On these matters it may be prudent to seek advice from a qualified tax professional. It will also be important to understand the impact this may have on an individual's (or family member's) circumstances, particularly with regards to the right to benefits under the French social security system.

FOOTNOTE:

1 See the form [*Déclaration de transfert de résidence hors de France*](#).

See "[*Arrêté du 31 juillet 2017 fixant le modèle du formulaire « déclaration de transfert de résidence hors de France »*](#)" published in *Journal Officiel* n°0204 du 1 septembre 2017.

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Good-bye The Expatriate Administrator, Hello Mobility Matters!

We invite you to read "[*Are Companies with U.K. Operations Up-to-Date with the U.K.'s Expenses and Benefits Rules?*](#)" by Hashina Nagar, KPMG LLP (U.S.), published this week in the new [*Mobility Matters*](#), the KPMG GMS practice's brand new online journal containing high-quality, insightful, finger-on-the-pulse articles covering trends and developments affecting global mobility.

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