



Tax regulations regarding the purchase of your French villa

One of the pleasant advantages of buying a villa at Domaines Les Forges is the refund of the TVA, the French VAT. **The French government finances 19.6% of your investment** in the event of rental. Your property in this project fully complies with the eligibility requirements for a refund. It is therefore possible for you to claim back the TVA (the French VAT) on your investment, which is carried out as follows.

Your newly acquired property should be rented through a special construction. This is done simply by arranging a long-term rental contract with the operator. As part of this contract the operator, for example, receives your clients, settles them into your villa, changes the sheets and towels and keeps the property clean and tidy.

Through this service provision your rental income is then liable for TVA; and those who pay TVA (5.5.% in 2008) are allowed to deduct TVA. You therefore do this right from the start of the purchase, whereby you make an immediate saving of 19.6%. The operation has to be for a period of 20 years. If you stop prematurely, for example if you sell, 1/20th of the TVA for each year that has not been rented will be claimed by the French government.

In practice

The project developer does not take care of the formal settlement of this, but recommends to you a reliable party who knows the ins and outs of the project. This is the administration and accountant's office Paillet, who have many clients at Domaines Les Forges. The staff speak both English and French: Cabinet Paillet in Poitiers, telephone +33(0)5 49 62 86 62. Ask for Mr Gaury or Ms. Gatti. They will be happy to provide you with French and/or English documentation regarding this rental construction. You may also contact them by email: ygaury@paillet-expertise.com / pgatti@paillet-expertise.com .

During the term of the rental contract you can leave the entire settlement of the TVA return including the quarterly declarations to this administration and accountant's office.

In short; Cabinet Paillet will on your behalf take care of the TVA refund over the entire investment, which will thereby be deducted from the purchase price.

If you so wish Cabinet Paillet will take care of all your tax declarations for the French tax authorities, so that you can enjoy your investment at Domaines Les Forges free of any cares.