

More changes to your Micro Business from 15th May 2022

Just when you thought a bit of reprise and rest after the French tax return and TV declarations for holiday lets etc lovely French bureaucracy sneaks up again

From 15th May, you will have to display a new mandatory statement in your quotes, invoices, flyers and contracts. 📄 ENTREPRISE INDIVIDUAL (EI)

The statute of Micro Enterprise is merging with the Entreprise Individual and this must be mentioned on all of your paperwork.

The micro-enterprise is not a legal status. ✖ It will HAVE to Mention EI next to it so for example Micro Enterprise EI

A micro-enterprise (= auto-enterprise) is an individual enterprise (EI) under the micro-enterprise tax regime.

That is to say that you are an individual entrepreneur in a micro-enterprise.

The reason behind this seemingly pointless and crazy change is that the professional and personal assets of a micro-enterprise can be confused. If you had professional debts, the bad creditors could, in addition to professional assets, seize your personal assets under the micro enterprise regime.

Only the main residence could not be seized.

The rest was therefore up for grabs:

Your apartment that you rent out,
A holiday home or second home,
Your bank account linked to the activity,
Undeveloped land,
Your classic car collection ⚡

It was possible to make a declaration to separate your personal and professional estates but this was rarely done.

The EIRL has therefore given way to a single sole proprietorship (EI) status for **Micro-Entrepreneurs**. Since the decree from 15th May 2022, personal and professional assets will be automatically separated according to decree no. 2022-725 of 28th April 2022.

If you have professional debts vis-à-vis your suppliers or subcontractors, they will only be able to seize your professional assets. They will not be able to touch your personal estate.

To implement this, from 15th May 2022, you will have to include the mention "EI" or "Individual Entrepreneur" on the following documents:

Invoices,
Quotes,
Contracts or Agreements (rental, hire etc.),
Advertising and publicity documents (business cards, flyers, etc.),
Any correspondence concerning your activity (letter to URSSAF, taxes, etc.).
Your Business account must be modified to show this

By including this statement, you will automatically separate your professional assets from your personal assets.

If you don't, you could risk a fine of up to €750, and that your creditors can seize anything if it does not have this on it and you owed them money.

This has to be done NOW and will be in vigueur from 15th May 2022

If you don't, you risk a maximum fine of €750. 🧑