

## Taxes on the transfer of property against payment

In France, the cost of acquiring a forest includes the payment of a tax on the total value of the land and the forest stand (wood). This is a tax on the transfer of forest and woodland property. It is an unavoidable tax liability, laid down by law.

French legislation divides the transfer tax into two categories: gift duty, which we discussed in an earlier article, and transfer against payment. It should also be noted that the sale of a forest is legally classed as an immovable property sale.

### **THE TAX ON THE TRANSFER OF PROPERTY AGAINST PAYMENT IS APPLICABLE TO FOREST SALES (WOOD + LAND).**

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In this case, the property tax regime applies.

The registration fees and additional levies are between 5.09% and 5.81%, to which we should add:

- The notary's fees – a sliding scale falling from 4% to 1%, depending on the amount of the sale.
- The reimbursement of the costs incurred by the notary to carry out the transfer (disbursements) at an average 7-7.7% of the sales price.

## In the case of the sale of a forestry group

The disposal of shares, against payment, in a forestry group is subject to a set registration fee of €125 (since 01/01/06, article 730 bis of the French Tax Code), to which you should add the notary's fees (and disbursements).

In the forestry sector, there are some unavoidable fiscal liabilities but ForÃt Investissement can help you clearly identify them.