

EU biogas and biomethane inventory of regulatory framework



Number of legislative act with a link			<a href="#">Last amended: 25/10/2015</a>	
Name of legislative act			<b>Code general des impots</b>	
Date of Publication			n.a.	
Date of implementation			06/04/1950	
Purpose			The tax code or CGI has, in France, the provisions relating to the right of taxation	
Relevance to the biomethane sector			<p>Are subject to this tax - in addition to homes, offices, buildings, etc. - The following constructions, under Article 1381 of the General Tax Code:</p> <p>1 appliances to shelter people or goods or to store products, masonry presenting the true character buildings and structures serving to support the operating material resources;</p> <p>2. The structures and lines of communication;</p> <p>4 * the land forming an addition to constructions subject to the tax (passage, parking, etc.);</p> <p>6 * the land on which are implanted in operating material means of industrial establishments.</p> <p>Article 1382 of the General Tax Code provides a list of buildings which are exempt from property tax, in particular:</p> <p>"11 * tooling and other installations and operating material means of industrial establishments excluding those referred to in 1 and 2 of section 1381."</p> <p>From these two articles, the parts of a biogas plant that are part of the basis for the property tax on buildings and those that are excluded from the base can be distinguished.</p>	
Relation to EU legislation			n.a.	
Scope			<p>The code brings together the particular provisions relating to the assessment and collection of the income tax, the corporate income tax, the value added tax (VAT), registration fees, local taxes and other direct and indirect charges imposed by state and local authorities.</p> <p>It consists of a main part accompanied by four annexes:</p> <p>Annex I for Public Administration regulations;</p> <p>Annex II to the decrees in Council of State;</p> <p>Annex III for simple decrees;</p> <p>Annex IV for the arrested.</p>	
Specification of a legislative act	Support Systems for Biogas	Targets	n.a.	
		Support Systems for Biomethane	Subsidies	n.a.
	Feed in Tarrifs		n.a.	
	Premiums		n.a.	
	Tax exemption		n.a.	
	Support Systems for Biomethane	Tax exemption	Subsidies	n.a.
			Feed in Tarrifs	n.a.
		Premiums	<p><b>Art 39:</b> AC Amortization of acquisition of a vehicle equipped CNG: the companies can amortize the acquisition of a vehicle equipped CNG on-year by up to € 18,300;</p> <p><b>Art 39 and 39 AD AE :</b> provide a similar allowance for the necessary batteries for operation of company vehicles all or part CNG and storage equipment, compression and distribution of natural gas vehicles.</p>	
		Tax exemption	<p><b>Art 1465 A bis :</b> the CFE tax can be exempt if :</p> <p>1) The biogas plant must be rural in the sense of Article L.311-1 of the Rural Code, specified by Article D.311-18 the Rural Code:</p> <ul style="list-style-type: none"> <li>- 50% of materials (by weight) are of agricultural origin (from the operation of the operator of the biogas plant or not)</li> <li>- Production, if any, energy marketing performed by a farmer or a structure majority owned by farmers</li> </ul> <p>2) the exemption is valid for 7 years, starting in the year following the start of the activity. The exemption ceases to apply if the conditions provided in the first paragraph of this Article are no longer met (change the procurement plan, change of stakeholders in the operating company capital, etc.).</p> <p>3) the exemption is valid for new operators and companies, ie companies whose operators facilities and the beginning of production activity occurs on or after 1 January 2015.</p> <p><b>Art 1382 6° :</b> The TFPB can be exempt when:</p> <p>An agricultural activity (as defined in the first 4 paragraphs of Article 63 of the Tax Code) to the existing biogas,</p> <ul style="list-style-type: none"> <li>- Energy production from products or by-products mainly from the farm (by mass)</li> <li>- Building assignment methanation or other agricultural activity permanently and exclusively.</li> </ul> <p><b>Art 1387 A :</b> has a temporary tax exemption on properties being build if :</p> <p>1) The biogas plant must be rural in the sense of Article L.311-1 of the Rural Code, specified by Article D.311-18 the Rural Code:</p> <ul style="list-style-type: none"> <li>- 50% of materials (by weight) are of agricultural origin (from the operation of the operator of the biogas plant or not)</li> <li>- Production, if any, energy marketing performed by a farmer or a structure majority owned by farmers</li> </ul> <p>2) the exemption is valid for seven years from 1 January of the year following the year of their completion. The exemption permanently ceases to apply from the year following that in which the conditions in the first paragraph of this Article are no longer met (change the procurement plan, change of stakeholders in the capital of the company operation, etc.).</p> <p>3) the exemption is valid for new installations, ie installations completed after 1 January 2015.</p> <p><b>Title II Chapter 1:</b> Specifically, in accordance with the tax collection rules on value added tax (VAT) levied on deliveries of natural gas or electricity provided by a producer established in France for purposes other than consumption by the purchaser, the producer will not show the VAT due on the invoice if the buyer:</p> <ul style="list-style-type: none"> <li>- Has an identification number for VAT in France,</li> <li>- The producer and certifies that it is not the final consumer biomethane.</li> </ul> <p>In this case, the producer will however mention on the invoice that VAT is payable by the buyer and recall the provisions of Article 283-2 of the CGI d justifying the failure to collect the tax.</p>	
			Sustainability	No
Non-discriminatory access to the grid			No	
Mass-balance	No			
Transport	No			
Emissions	No			
Biowaste	No			
Digestate	Yes			