



**WANT TO SET UP A  
BUSINESS IN FRANCE?**  
THE 5 KEY STEPS

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**STEP 1:**  
SELECT YOUR BUSINESS  
STRUCTURE

# 1. STEP 1

## Select your business structure

The choice of business structure is crucial, since it defines your business's scope of activity and degree of independence from the parent company.

### CHOOSE FROM 3 OPTIONS:

- **Liaison Office**

A liaison office can provide a short-term solution as a representative for the parent company. Its scope is limited and it cannot engage in commercial activity.

- **Branch**

A long-term, straight-forward solution. A branch is a commercial entity that manages its own business while operating as an agency reporting to the company's headquarters abroad.

- **Subsidiary**

A subsidiary is a company subject to French law and offers the most comprehensive legal form.

It can be set up as an SAS (simplified joint stock company), an SARL (limited liability company) or an SA (corporation).



# 1 STEP 1

## Select your business structure

	LIAISON OFFICE	BRANCH	SUBSIDIARY
DURATION	Short term	Long term	Long terme
COMMERCIAL ACTIVITY	No	Yes	Yes
FISCAL INDEPENDENCE	No	Must maintain own company accounts even though it does not own assets separate from the parent company	Yes
LEGAL INDEPENDENCE	No	No (but can enter into agreements, for example for sales)	Yes
TAX/VAT	No	Yes	Yes
ELIGIBLE FOR STATE AID	No	No	Yes
REGISTRATION	If it has its own business premises or employees	Yes No declaration/ authorization required to/from the French Treasury	Yes



### Learn more (articles in French):

- **Subsidiaries** : <https://bpifrance-creation.fr/encyclopedie/developper-lactivite-son-entreprise/developpement-a-international/filiale>
- **Liaison Offices**: <https://bpifrance-creation.fr/encyclopedie/developper-lactivite-son-entreprise/developpement-a-international/bureau-liaison>

A close-up photograph of a person's hands in a dark suit jacket writing in a notebook with a black pen. The scene is set on a light-colored desk with other papers and documents visible. A semi-transparent red box is overlaid on the right side of the image, containing white text. The background is softly blurred, showing another person's hands in a light-colored shirt also working with documents.

**STEP 2:**  
DRAFT THE  
LEGAL NOTICE

## 2. STEP 2

### Draft the legal notice

Anyone who creates, changes or transfers a company must prepare a legal notice for publication in an official gazette and include the following legal information:

- Company address
- Company directors' contact details
- Corporate purpose

**NB:** The cost will depend on the number of lines and the département where the company's registered office will be.



#### Sample legal notice for a limited liability company

(Source: <https://www.annonces-legales.fr/>)

By an instrument dated 2 December 2014, a Limited Liability Company was created with the name: ALPHA

- REGISTERED OFFICE:  
16 rue de la Croix Rouge 93160 Noisy le Grand
- SHARE CAPITAL: €2,000
- PURPOSE: Cosmetics Retail
- MANAGER: Mr Yoan BLUE  
residing at 10 rue de la Boétie 75008 Paris
- DURATION: 99 years from the date of registration in the Bobigny Trade and Companies Register

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Par acte SSP en date du 02/12/2014, il a été constitué une SARL dénommée : ALPHA

- SIÈGE SOCIAL :  
16 rue de la Croix Rouge 93160 Noisy le Grand
- CAPITAL : 2000 €
- OBJET : Vente de cosmétiques au détail
- GÉRANCE : M. BLUE Yoan  
demeurant 10 rue de la Boétie 75008 Paris
- DURÉE : 99 ans à compter de son immatriculation au RCS de Bobigny

**Find out more (in French):**

<https://www.service-public.fr/professionnels-entreprises/vosdroits/F31972>

NOUVELLE EDITION

CODE

DES

SOCIÉTÉS

2019

**STEP 3 :**

SELECT YOUR LEGAL  
STATUS AND DRAW UP  
YOUR CHARTER  
AND BYLAWS



# 3. STEP 3

## Select your legal status and draw up your charter and bylaws

### EI, EURL, SA, SAS, SARL, SNC or other.

There are many types of entities in France, and the founders of a company can choose the one that suits them best.

The most common are:

- **Limited liability company (SARL)**

This type of company is suitable for new companies such as a family business or one involving 2 or 3 shareholders.

**Key features:**

Headed by one or more managers, an SARL offers better protection for shareholders than the SAS. The manager holding a majority stake are covered by the social security system for the self-employed, while managers with a minority shareholding are covered by the social security system for employees.

Its operation is subject to the Commercial Code, leaving little management flexibility.

No minimum fixed capital contribution required to create the company.

The company is subject to corporate income tax with the option of taxation at the level of the shareholders.

- **Simplified Limited Company (SAS)**

The flexibility of the SAS makes it suitable for larger projects, providing for investors and the distribution of dividends.

**Key features:**

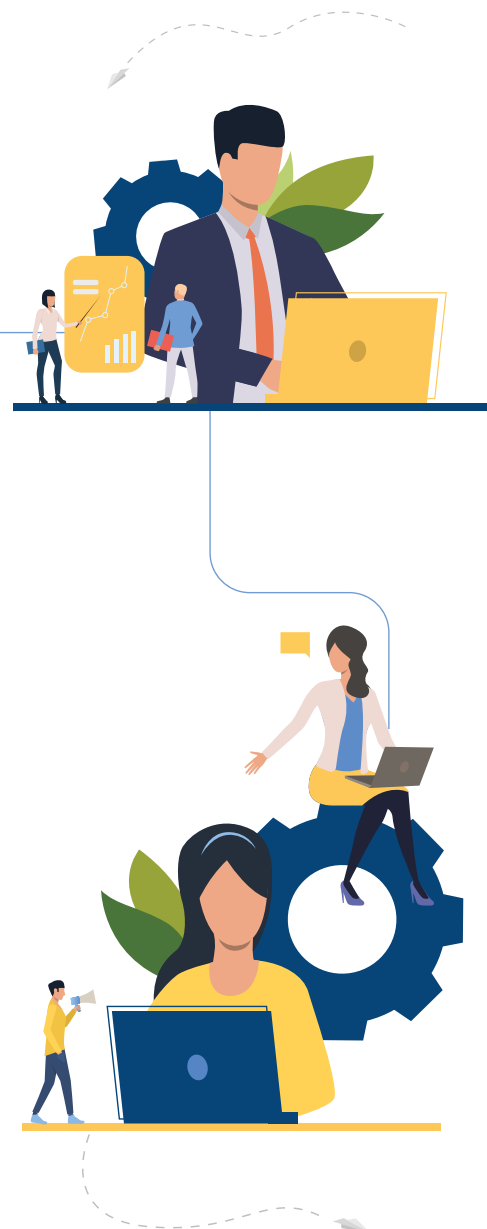
Headed by an employed Chairperson who can delegate management to a Managing Director.

This type of entity gives directors more management flexibility than an SARL.

No minimum share capital is required.

Subject to corporate income tax with an option of taxation at the level of the shareholders.

Statutory auditor required if the company is owned by or owns another company; if the pre-tax revenue exceeds €2m; if total assets are greater than €1m; or if the company has more than 20 employees.



# 3. STEP 3

## Select your legal status and draw up your charter and bylaws

- **Corporation (SA)**

An SA is suitable for large-scale entrepreneurial projects.

**Key features:**

Headed by a CEO (or Chairperson + a CEO) and a Board of Directors. Requires articles of incorporation and bylaws.

Requires at least 2 shareholders (7 if the company is publicly traded).

A minimum contribution of €37,000 is required to set up the company.

Can make a public offering of shares, accept contributions in kind and be listed on the stock market.

Statutory auditor required.

Dividends are not subject to social contributions.

**Other less widely known legal forms may also offer a good fit for your new business.**

- **For example, general partnerships (SNC) or professional partnerships and economic interest groups (GIE).**

These two legal structures may be of interest for subsidiaries.

They require no minimum share capital and offer operating flexibility.

Partners (classed as traders) may make contribute to the company's capital in the form of labor, cash or contributions in kind.

They are transparent for tax purposes, but the major drawback is that partners' personal wealth is not protected in the event of bankruptcy.

- **The Societas Europaea (SE) or European Company is for companies present in at least two European Union countries.**

It offers a unique status defined by EU law which is common to all member countries.

The applicable business law is that of the country where the registered office is located.

However, an SE requires minimum share capital of €120,000 and is subject to taxation in all Member States where it has a permanent establishment.



A man with grey hair and glasses, wearing a dark suit and a red tie, is seated at a desk. He is looking down at a document with a pen in his hand. A woman with dark hair is seated across from him, also looking at the document. The desk has a laptop, a blue folder, and some papers. The background shows a window with a view of a building. A semi-transparent red and orange gradient box is overlaid on the right side of the image, containing the text.

**STEP 4 :**  
DEPOSIT  
THE SHARE CAPITAL  
IN A BANK ACCOUNT

# 4. STEP 4

## Deposit the share capital in a bank account

The company's share capital may come from a contribution in cash or in kind.

It can take several forms:

- cash contribution
- partnership interests
- shares in other companies
- real estate
- goodwill
- brands
- patents ...

This contribution is deposited as a check, bank transfer or cash by the company's future partners or shareholders, who then receive the company's shares.

The amount of share capital required depends on the legal entity chosen.

- SARL and SAS: €1
- SA: €37,000

It can be spread over 5 years, with at least 20% paid up for SARL and 50% for SA and SAS.

The deposit should be made into an escrow-type account held at:

- a bank
- Caisse des Dépôts et Consignations (CDC), the state bank for official deposits
- a notary public

Documents required:

- deposit application in standard form
- charter and bylaws
- deposit payment and certification of source of funds
- proof of identity (applicant's and other creditors)
- list of subscribers, company address and name of representative



Find out more (in French):

<https://www.service-public.fr/professionnels-entreprises/vosdroits/F32333>



**STEP 5 :**  
COMPANY DECLARATION  
AND REGISTRATION

# 5. STEP 5

## Company declaration and registration

Processes for declaring and registering a company in France have been simplified.

They can be made:

- **online:**

<https://www.guichet-entreprises.fr/fr/>

<https://www.guichet-entreprises.fr/en/>

- **at the relevant Commercial Court Registry**

Once the procedures have been completed, the manager of the company will receive a certificate of incorporation known as an “extrait Kbis” formalizing the company’s existence.

### How much does it cost to register?

Approximately €50 in administrative costs plus around €230 to publish the notice in the official gazette.



# Setting up a business in France

is not as complicated as you think!

On closer look, starting a business in France is no more complicated than anywhere else:

The entire procedure can be done online, and there are **only 5 steps—less than the global average of 7** according to the World Bank (2018).

A foreign company can set up a business in France just as quickly as a French one (4 days).

To get past other clichés and stereotypes about France, read our White Paper “8 myths debunked: why it makes sense to invest in France”



# NEED HELP FOR YOUR DEVELOPMENT PROJECT?

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