

French tax authorities confirm postponement of Digital Services Tax payments for 2020, but 2019 payments remain due

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On 10 February 2020, the French tax authorities (FTA) confirmed that payments of the two installments normally due in April and November for the 2020 French Digital Services Tax (DST) will be postponed to a single payment, to be made in December 2020, without the taxpayer facing penalties or late payment interest.

This postponement is the result of ongoing discussions at the Organisation of Economic Co-operation and Development (OECD) on the reform of international tax rules.

The FTA nonetheless have stressed that payment of the 2019 DST is still due, meaning that companies liable to the DST will have to compute the amount of tax due as initially established by French law (i.e., notably 2019 revenues derived from in-scope activities and the ratio of French-deemed services computed over the period of 26 July 2019 to 31 December 2019). This payment is due in April 2020.

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