

Information for
employers

2021 Finance Law

Reduction and exemption programs now
applicable to CRPN contributions

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THE GENERAL DECREASE IN EMPLOYER'S CONTRIBUTIONS

France's Finance Law for 2021 (2021 Finance Law, article 107) extends **the general reduction in employer's contributions on wages lower than 1.6 times the French minimum monthly wage (SMIC)** under article L. 241-13 of the French Social Security Code to CRPN, for contributions due on **periods of employment accrued from January 1st, 2021, onwards** (2021 Finance Law, article 107).

Article L. 241-13 of the French Social Security Code:

"I. Employer's contributions which are payable to the statutory compulsory supplementary retirement pension schemes listed under article L. 921-4 of this code **or created by law** [...], based on wages or earnings amounting to less than 1.6% the French minimum wage, are reduced on a sliding scale. [...]

III-The amount of this reduction is applied, at the time of payment, to the contributions and charges which are listed in part 1 and declared both to the collections authorities listed under articles L. 213-1 and L. 752-4 and to the institutions listed under article L. 922-4 of this code **and article L. 6527-2 of the French Transportation code**, on the basis of the proportion which the rate for these contributions and charges that has been used to calculate this reduction constitutes of the maximum value set forth by the decree mentioned in part III, paragraph three of this article. [...]"

To ensure that we have the necessary information on file, we ask that you please:

1. Calculate the amount of the reduction as prescribed by the applicable legal instruments, **given that the applicable rate is 6.01% (the same as for AGIRC/ARRCO) and that the decrease applies to retirement pension fund contributions.**
2. Use the same reporting method as for AGIRC/ARRCO in your individual electronic payroll reports ("DSN") for 2021 wages, e.g. enter a **79 block along with an 81 block containing contribution code "106."**

Example for the main month declared of January 2021:

Corrected example

"Liable basis code - S21.G00.78.001" : 03 – Gross liable basis: no upper limit

"Membership period start date - S21.G00.78.002": 01012021

"Membership period end date - S21.G00.78.003": 31012021

"Amount - S21.G00.78.004": xx.xx

"Liable basis component type - S21.G00.79.001": 01 - Monthly minimum wage ("SMIC") amount used to calculate the General decrease in employers' social security, supplementary pension, unemployment insurance, and Family Benefits contributions

"Liable basis component amount - S21.G00.79.004": xx.xx

"Contribution code - S21.G00.81.001": 106 (AGIRC/ARRCO have a shared code for CRPN)

"Social Protection Provider Identifier - S21.G00.81.002": 785 422 304 00192 (CRPNPAC's "SIRET" number)

"Basis amount - S21.G00.81.003": xx.xx

"Contribution amount - S21.G00.81.004": -xx.xx (enter the amount of the reduction as a negative number¹)

Please note that the "Social protection provider payment – S21.G0020" and "Statement of payable contributions– S21.G00.22" blocks will need to include the aggregated amounts of any general decreases declared for CRPN under "contribution amount – S21.G00.81.004"².

THE “LODEOM” CONTRIBUTION EXEMPTION

The change to article L. 241-13 of the French Social security Code brought about by article 107 of the 2021 Finance Law also makes the **contribution exemption benefiting employers located in Overseas France applicable to CRPN, for staff working only on these routes and assigned to locations in one of these departments or collectivities. This is the LODEOM exemption set forth under article L. 752-3-2 of the French Social Security Code³**, and will apply to CRPN contributions due on periods of employment accrued from January 1st, 2021, onwards (2021 Finance Law, article 107).

Article L. 752-3-2 of the French Social Security Code:

*“ I. -In Guadeloupe, French Guiana, Martinique, and Reunion, employers [...] are exempted from paying the contributions [...] listed under **article L. 241-13, part I of this code** pursuant to the rules set forth by this article.*

II. -The exemption applies: [...]

*3° To **employers in the air transportation sector** flying:*

a) Routes between metropolitan France and Guadeloupe, French Guiana, Martinique, and Reunion;

b) Routes between these departments or collectivities or between these departments or collectivities and Saint Martin and Saint Barthelemy, as well as between Reunion and Mayotte;

c) Inland flights within Guadeloupe, French Guyana, Martinique, or Reunion.

This is restricted to members whose employers fly only these routes and who have been assigned to locations in one of these departments or collectivities [...].”

To ensure that we have the necessary information on file, we ask that you please:

1. Calculate the amount of the reduction as prescribed by the applicable legal instruments, **given that the air transportation sector only comes under the “competitiveness”⁴ or “enhanced competitiveness”⁵ scale.**
2. Use the same reporting method as for AGIRC/ARRCO in your individual electronic payroll reports (“DSN”) for 2021 wages, e.g. **“Liable basis component – S21.G00.79” block along with an “Individual contribution – S21.G00.81” block containing contribution code “110 – Exemption from employer’s supplementary retirement pension fund contributions applicable in France’s Overseas Departments (“DOM”) (LODEOM) 1.3 to 2.2 times France’s monthly minimum wage (SMIC)” or “112 – Exemption from employer’s supplementary retirement pension fund contributions applicable in France’s Overseas Departments (“DOM3) 1.7 to 2.7 times France’s monthly minimum wage (“SMIC”).**

3 Important: the special exemption program for the French departments of Saint Martin and Saint Barthelemy pursuant to article L752-3-3 of the French Social Security Code does not apply to supplementary retirement pension contributions.

4 For air transportation companies operating regular routes (NAF codes 51.1 “passenger air transportation” and 51.2 “freight air transportation).

5 For air transportation companies operating tourist flights that are not considered regular routes (as defined by section D.213-1-1 of the French Code of Civil Aviation), to and from France’s overseas departments (given that circular routes as defined by article R.134-9 of the French Code of Civil Aviation are never regular lines), and provided that these operations are directly and primarily tourist-focused (NAF code 51.1 “passenger air transportation”).

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Corrected example

Example for the main month declared of January 2021 with a decrease (competitiveness scale): "

"Liable basis code - S21.G00.78.001": 03 – Gross liable basis: no upper limit "Membership period start date - S21.G00.78.002": 01012021

"Membership period end date - S21.G00.78.003": 31012021

"Amount - S21.G00.78.004": xx.xx

"Liable basis component type - S21.G00.79.001" : 01 – Monthly minimum wage ("SMIC") amount used to calculate the General decrease in employers' social security, supplementary pension, unemployment insurance, and Family Benefits contributions "Liable basis component amount - S21.G00.79.004": xx.xx

"Contribution code - S21.G00.81.001": 110 (shared use of one AGIRC/ARRCO code for CRPN)

"Social Protection Provider Identifier - S21.G00.81.002": 785 422 304 00192 (CRPNPAC's "SIRET" number)

"Basis amount - S21.G00.81.003": xx.xx

"Contribution amount - S21.G00.81.004": -xx.xx (enter the amount of the exemption as a negative number)⁴

Example for the main month declared of January 2021 (enhanced competitiveness scale):

"Liable basis code - S21.G00.78.001" : 03 – Gross liable basis: no upper limit

"Membership period start date - S21.G00.78.002" : 01012021

"Membership period end date - S21.G00.78.003" : 31012021

"Amount - S21.G00.78.004" : xx.xx

"Liable basis component type - S21.G00.79.001" : 01 - Monthly minimum wage ("SMIC") amount used to calculate the General decrease in employers' social security, supplementary pension, unemployment insurance, and Family Benefits contributions

"Liable basis component amount - S21.G00.79.004" : xx.xx

"Contribution code - S21.G00.81.001" : 112 - 112 – Exemption from employer's supplementary retirement pension fund contributions applicable in France's Overseas Departments ("DOM3) 1.7 to 2.7 times France's monthly minimum wage ("SMIC") (shared use of one AGIRC/ARRCO code for CRPN)

"Social Protection Provider Identifier - S21.G00.81.002" : 78542230400192 (CRPNPAC's "SIRET" number)

"Basis amount - S21.G00.81.003" : xx.xx

"Contribution amount - S21.G00.81.004" : -xx.xx (enter the amount of the exemption as a negative number)⁶