

Payroll news: benefits in kind for combustion-engine vehicles - 28/02/2025

The decree of 25th February 2025, published in the *Journal Officiel* on 27th February 2025, amends the rules for the flat-rate valuation of benefits in kind with effect from 1st February 2025.

<https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000051254024>

Vehicles are particularly affected by this change, and a distinction must now be made between two periods for assessing the amount of the benefit in kind:

For vehicles made available until 31st January 2025:

- For a purchased vehicle, the valuation is based on **9% of the purchase cost**, and when the vehicle is **more than five years old**, on **6% of the purchase cost**. Where the employer pays for the vehicle's fuel, the benefit is assessed on the basis of the latter percentages, plus an assessment of the fuel costs based on the expenses actually incurred, or on the basis of an **overall flat rate of 12% of the vehicle's purchase cost and 9% where the vehicle is more than five years old**.
- For a leased vehicle or a vehicle leased with a purchase option, the valuation is based on **30% of the total annual cost** of the vehicle, including leasing, maintenance and insurance. Where the employer pays for the vehicle's fuel, the benefit is assessed on the basis of the latter percentage plus an assessment of fuel expenses based on the actual costs incurred, or on the basis of an **overall flat rate of 40% of the total annual cost**, including vehicle hire, maintenance, insurance and fuel.

For vehicles made available from 1st February 2025:

- When the vehicle is purchased, the valuation is based on **15% of the purchase cost** and when the vehicle is **more than five years old on 10% of the purchase cost**. Where the employer pays for the vehicle's fuel, the benefit is assessed on the basis of the latter percentages plus the assessment of fuel expenses based on actual costs incurred, or on the basis of an **overall flat rate of 20% of the vehicle's purchase cost and 15% where the vehicle is more than five years old**.
- If the vehicle is leased, with or without a purchase option, the valuation is based on **50% of the total annual cost**, including leasing, maintenance and insurance. Where the employer pays for the vehicle's fuel, the benefit is assessed on the basis of the latter percentage plus an

assessment of the fuel expenses based on the costs actually incurred, or on the basis of an overall flat rate of **67% of the total annual cost** including vehicle hire, maintenance, insurance and fuel.

These rate changes only apply to vehicles made available from 1st February 2025. The BOSS specifies that the valuation remains unchanged for vehicles made available before 1st February 2025. It also specifies that for a transfer of a vehicle between employees after 1 February 2025, the new valuation rules apply.

It should be noted that "the vehicle is considered to have been made available to the employee from the date of allocation set by the agreement between the employer and the employee".

<https://boss.gouv.fr/portail/accueil/actualites.html?filtreCategorie=%2Fsites%2Fsystemsite%2Fcategories%2Factualites-du-boss%2Fmise-a-jour-du-boss%2Favantages-en-nature#:~:text=Ainsi%2C%20un%20v%C3%A9hicule%20achet%C3%A9%20par,avant%20le%201er%20f%C3%A9vrier%202025.>

We are of course here to help you get to grips with this new measure.

Stéphanie Mabilde

Director

Payroll Department

smabilde@sofradec.fr



Emilie Campbell

Deputy Director

Payroll Department

ecampbell@sofradec.fr



Nicolas Ehlert

Legal Counsel – Labour Law

Payroll Department

nehlert@sofradec.fr



Oumar Diallo

Legal Counsel – Labour Law

Payroll Department

odiallo@sofradec.fr



Coffra group
Société Pluri-professionnelle d'Exercice des professions d'Avocats, d'Experts-Comptables et de Commissaires aux Comptes par actions simplifiée
SAS au capital de 1 520 400 €
R.C.S. Paris 422 988 220 – T.V.A. FR 02 422 988 220
Inscrite au Barreau de Paris (Toque L0043)
Membre de la Compagnie Régionale des Commissaires aux Comptes de Paris
Inscrite au Tableau de l'Ordre des Experts-Comptables de Paris Ile-de-France