

FR - Suramortissement Exceptionnel Macron (SCo)

Tasks to be completed when documenting an operation (from creation to publication)

1. Enter the **Title of the operation / page**

2. Add the following Labels:

- Scope of applicability: ww, country_accounting
- Country or group of countries (if applicable): belux, china, france, italy, lam, nam,uk_ie, bulgaria, dach, netherlands, iberia, poland, latvia, australia, india, japan, south_korea, thailand, singapore, new_zealand, emea_transversal, apac_transversal
- Unit and Domain according to the [List of labels to be used in the Finance Service Line space](#)
 - E.g. 1: WW Operation in Financial Accounting under domain "Central Finance Processes & Compliance":
 - Labels to be used: **ww, financial_accounting, central_fin_proc_compliance**
 - E.g. 2: France Operation in Financial Accounting:
 - Labels to be used: **country_accounting, france, financial_accounting**
(for country operations, the Domain is always country_accounting)

3. Fill in all fields as described above

4. Name the title of each section using OPD methodology naming convention - **Infinitive verb without the "to", mainly action verb...something) -" I do something..."**

5. Once the description of the operation is completed, ensure it is approved and published by launching the [SBS-Finance approval workflow](#)

Domain: Country Accounting | ACP

Responsibility area: N/A

Table of contents

- Tasks to be completed when documenting an operation (from creation to publication)
 - 1. Enter the Title of the operation / page
 - 2. Add the following Labels:
 - Scope of applicability: ww, country_accounting
 - Country or group of countries (if applicable): belux, china, france, italy, lam, nam,uk_ie, bulgaria, dach, netherlands, iberia, poland, latvia, australia, india, japan, south_korea, thailand, singapore, new_zealand, emea_transversal, apac_transversal
 - Unit and Domain according to the [List of labels to be used in the Finance Service Line space](#)
 - 3. Fill in all fields as described above
 - 4. Name the title of each section using OPD methodology naming convention - Infinitive verb without the "to", mainly action verb...something) -" I do something..."
 - 5. Once the description of the operation is completed, ensure it is approved and published by launching the [SBS-Finance approval workflow](#)
- Table of contents
 - 1. Objective and Scope
 - 1.1. Objective of this Operation
 - 1.2. Scope
 - 2. Definitions
 - 3. Tasks description
 - 3.1. Responsibilities
 - 3.3. I identify differences in report "Suramortissement Exceptionnel"
 - 3.4. I correct differences in report "Suramortissement Exceptionnel"

1. Objective and Scope

1.1. Objective of this Operation

"SURAMORTISSEMENT EXCEPTIONNEL MACRON" (art 39 decies)

This scheme, introduced in 2015, allows companies subject to a real tax regime in the BIC (industrial and commercial profits) or BA (agricultural profits) categories to apply an exceptional deduction corresponding to 40% of the original value of certain specifically listed investment assets, acquired or manufactured between 15/04/2015 and 14/04/2016. In 2016, the administration extended this exceptional deduction until 14/04/2017.

The assets eligible for this scheme are those qualifying for declining balance depreciation, listed below:

1. Equipment and tools used for industrial manufacturing or processing operations;
2. Handling equipment;
3. Installations intended for water purification and air pollution control;
4. Installations producing steam, heat, or energy, except for installations used in the context of electricity production benefiting from a regulated purchase tariff;
5. Equipment and tools used in scientific or technical research operations;
6. Structural elements, equipment, and tools used in cable transport operations, including ski lifts as defined in article L. 342-7 "du code du tourisme", regardless of the depreciation methods of said structural elements, equipment, and tools. The deduction mentioned in the first paragraph above also applies to assets acquired or manufactured until April 14, 2017. When the ski lift is acquired or manufactured under a leasing contract, the deduction is applied by the lessee;
7. Installations, equipment, lines, and cables of fiber optic electronic communication networks not receiving aid from a public entity. These assets can benefit from the deduction regardless of their depreciation methods. In the case of the transfer of usage rights for the assets mentioned in the first sentence of this section, the amount of eligible investments equals the difference between the total amount of investments made, excluding financial costs, and the amount eligible for the deduction of usage rights transferred to a third party company. By exception to the first paragraph of this section, companies holding a usage right for these assets can deduct an amount equal to 40% of the amount invoiced for this usage right for its portion related to the acquisition or manufacturing price of the assets, including by exception to the first sentence of this section, when these assets are part of networks that have received aid from a public entity. By exception to the same first paragraph, the deduction applies to the assets mentioned in this section that are acquired or manufactured by the company from January 1, 2016, to April 14, 2017, and to the usage rights of assets acquired or manufactured during the same period that are transferred before April 15, 2017;
8. Software contributing to industrial manufacturing and processing operations. By exception to the first paragraph of this section, the deduction applies to the assets mentioned in this section, regardless of their depreciation methods;
9. Computer devices intended for use within a data center acquired or manufactured by the company and machines intended for intensive computing acquired in an integrated manner, from April 12, 2016, to April 14, 2017. By exception to the first paragraph of this section, the deduction applies to the assets mentioned in this section, regardless of their depreciation methods.

1.2. Scope

This procedure applies to French companies in PF1 (ERP) as well as WP1 (RCS).

2. Definitions

See Finance Glossary:

- AUC
- BFC
- CAM
- ERP
- FO
- IS
- PE
- PF1
- RCM
- RCS
- RM
- ROPM
- WP1

3. Tasks description

3.1. Responsibilities

Accounting Platform: is responsible for extracting the report "Suramortissement Exceptionnel" every time the CAMs request it.

CAM: as this exceptional depreciation is not accounted for, shall be performed an extra-accounting deduction reported in form 2058A, box X9 (and carried over in the total of box XG);

Yearly depreciation in area 37 (WP1) or area 07 (PF1);

IFRS Tax reporting (Actual Tax 1-09 T2-1) in DPF (Différences Permanentes Fiscales).

3.2. I extract report "Suramortissement Exceptionnel"

This section describes the necessary steps for monthly extraction of report "Suramortissement Exceptionnel". This extraction is scheduling after monthly depreciation run.

Calculation Methods

SAP reports are available via transaction **S_ALR_87012013**

Following the tax audit of Rhodia Operations for the 2019-2020-2021 fiscal years, certain fixed assets included in the report were excluded by the French tax administration.

=>Variants have been implemented to account for the exclusion of certain fixed assets:

Variant to use in WP1:

For 6422 Specialty Opérations France : **6422SURAMORT40**

Variant to use in PF1:

For 6080 Solvay France: **6080SURAMORT40**

In both WP1 & PF1 SAP systems fill:

- Company Code
- Report date (end of xx.20xx)
- Depreciation Area (variant)
- Sort Variant (idem)
- List by "Group totals only"

Selections for **WP1**

[blocked URL](#)

Selections for **PF1**

[blocked URL](#)

With the following option

[blocked URL](#)

Checks to be performed by the CAM or TCM

To prepare the files in case of a tax audit and to verify that the SAP transaction works properly, a theoretical calculation should be done and compared to the amount provided by the SAP transaction.

1. Generate the SAP calculation by checking "list assets" and export it to Excel format;
2. Generate the straight-line depreciation calculation for these fixed assets;
3. Theoretical calculation of Macron extra-depreciation = 40% of the straight-line depreciation.



Note

The Depreciation Area selected by variant depends by ERP System:

ERP System	Tax Depreciation Area	40% Sur. Depreciation Area
WP1	33 - Tax - Declining - fiscal useful life	37 - Additional Depreciation 40%
PF1	02 - Tax depreciation	07 - Additional Depreciation 40%

The Fixed Assets concerned by the suramortissement are only FXA with a fiscal declining:

- For PF1 depreciation key FRD*
- For WP1 depreciation key ZD12, ZD13 and ZD14

Check on company code level the acquisition value in area 37 – "Additional Depreciation 40%" (WP1 related; 07 in PF1 companies). The acquisition value has to be 40 percent of area 33 – "Tax - Declining - fiscal useful life" (WP1 related; 02 in PF1 companies):

- In case the acquisition value of depreciation area 37 (wp1) is 40 percent of depreciation area 33 (wp1), print the reports in pdf-format, sending files to French CAM
- In case the acquisition value of depreciation area 37 is not 40 percent of area depreciation area 33, the difference* has to be identified and corrected

*To identify the difference see section 3.3. *I identify differences in report "Suramortissement Exceptionnel"* and to correct see section 3.4. *I correct differences in report "Suramortissement Exceptionnel"*.

3.3. I identify differences in report "Suramortissement Exceptionnel"

To identify the differences by asset, execute the report again with sort variant 0013 (company code) and list assets:

[blocked URL](#)

Select the button [blocked URL](#) to download the report for EXCEL

In the downloaded excel file:

1. Add two columns Z (40% of area 33) and AA (Delta);
2. In column Z, calculate 40% of area 33 through the formula: +column M * 0,4;
3. In column AA, calculate the difference between depreciation area 37 and the correct value through the formula: + column Z – column V.

To identify the differences in Report "Suramortissement Exceptionnel", select the lines where values are different than zero.

3.4. I correct differences in report "Suramortissement Exceptionnel"

The cases with differences shall be sent to IS (Silvia.Jeleva@solvay.com).

After correction of depreciation values in area 37, repeat the procedure described in section 3.1. *I extract report "Suramortissement Exceptionnel"*.

End of document.