

Who is in charge of on-site tax audits?

On the national level

The Directorate of national and international audits (“Direction des vérifications nationales et internationales - DVNI ”)

In charge of the tax audits of very large entities (turnover above € 152.4 million for sales and above € 76.2 million for the provision of services), this directorate is made up of about thirty brigades specialized by economic sectors and 9 brigades specialized in computerized accounting systems, that is about 350 in the field tax inspectors.

The Directorate of large entities (“ Direction des grandes entreprises - DGE ”)

This directorate manages the tax files of entities whose turnover exceeds € 400 million, and is also involved, besides its mission of management, in specific on-site audits.

The National Directorate for tax situations audits (“ Direction nationale des vérifications de situations fiscales – DNVSF ”)

This directorate’s mission is to monitor, through on-site audits throughout the territory, the tax files of the most significant individuals (high stake situations because of the amounts in play or because of the notoriety of the individual).

Recently, the directorate was given a new mission to ensure the coverage of a dedicated portfolio of very high stake tax files (“Dossiers à très fort enjeux – DTFE”). In this context, it ensures a correlated income / assets audit of these files by implementing the most appropriate procedures: audit from the office, accounting audit, and if necessary examination of the tax situation of the individual (“*Examen de situation fiscale personnelle – ESFP*”).

This directorate is made up of 15 brigades (10 on site audit teams and 5 assets auditing brigades).

On the interregional level

The tax audit Directorates (“ Directions spécialisées de contrôle fiscal – DIRCOFI ”)

There are 10 Tax Audit Directorates, they are in charge of the tax audits of medium-sized entities: turnover between € 1.5 million and € 152.4 million for sales and turnover between € 0.5 million and € 76.2 million for the provision of services.

Those directorates are made up of 10 to 32 brigades depending on the geographical area covered (for 6 to 14 *départments*) and have a total of about 1,600 auditors.

On the département level

The local Directorates

They are in charge of the tax audits of small businesses (turnover less than € 1.5 million for sales and € 0.5 million for the provision of services).

They have 1 to 10 specialized brigades (about 2500 auditors in over 300 brigades throughout the French territory).

The directorates also have audits and expertise services (“Pole de contrôle et d’expertise – PCE”) whose officers are in charge of expert analysis and programming for auditors. The PCE auditors also devote part of their time to lighter versions of on-site audits.

The on-site tax audits are organized on three different levels, each having complementary objectives, segmented by category of taxpayers.

The tax auditors are tax experts

Public Finances Inspectors are recruited through an open competition (with at least a Bachelor degree) or by internal promotion. They attend school for one year at the national school of public finances, alternating high-level theoretical and practical training in law, accounting, and taxation.

There are around 5,000 inspectors auditors involved in tax audits within entities. They work in a verification brigade usually made up of 7 to 9 auditors supervised by a brigade commander, chief executive.