



Finance and Administrative Processes

Update on Internal Taxation certificate change

15.09.2020

Internal Taxation certificate change – Preamble

Reminder

• Tax certificate Statistics for 2017

(Table presented at ACCU of Dec. 2018)

2017 Annual Tax Certificate Statistics		
Total number issued to MPE and MPA	20,388	
Certificates issued to MPA who MAY receive a subsistence (mostly USERS)	14,969	73%
Certificates to MPA who may receive a subsistence BUT who received 0	11,343	56%
Certificates to MPA who MAY receive a subsistence AND who received a payment	3,626	17%

1

2

For 2019:

~12,000

2,802

Internal Taxation certificate change – Update

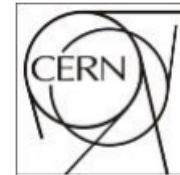
Reminder

1

Certificates to MPA who may receive a subsistence BUT who received 0

Certificate stopped as planned

- ~12,000 MPs who received NO subsistence allowance in 2019 did not receive the tax certificate at 0



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European Laboratory for Particle Physics

ANNUAL INTERNAL TAXATION CERTIFICATE FOR THE 2016 FINANCIAL YEAR

Issued in accordance with Article R V 2.05 of the Staff Regulations

CERN hereby certifies that:

- A) The internal tax base, as defined in /n Article R V 2.01 of the Staff Regulations, was:
- B) The amount of family and other financial benefits deducted from the internal tax base, pursuant to Article R V 2.02 of the Staff Regulations, was:
- C) The taxable amount (A minus B), as defined in Article R V 2.02 of the Staff Regulations, was:
- D) The amount of internal tax levied by the Organization, as defined in Article R IV 2.03 of the Staff Regulations, was:

0

0

0

0

Internal Taxation certificate change – Update

Reminder

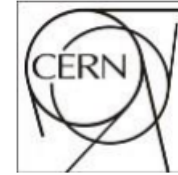
2

Certificates to MPA who MAY receive a subsistence AND who received a payment

Measures announced postponed by one year

- 2802 MPs who received occasional subsistence allowance in 2019 received the new attestation on February 7th and the tax certificate on April 27th

- 2,424 Users
- 245 VISC
- 133 COAS



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ANNUAL INTERNAL TAXATION CERTIFICATE FOR THE 2016 FINANCIAL YEAR

Issued in accordance with Article R V 2.05 of the Staff Regulations

CERN hereby certifies that:

A) The internal tax base, as defined in Article R V 2.01 of the Staff Regulations, was:	1,000
B) The amount of family and other financial benefits deducted from the internal tax base, pursuant to Article R V 2.02 of the Staff Regulations, was:	1,000
C) The taxable amount (A minus B), as defined in Article R V 2.02 of the Staff Regulations, was:	0
D) The amount of internal tax levied by the Organization, as defined in Article R IV 2.03 of the Staff Regulations, was:	0



Internal Taxation certificate change – Update

New

- “Occasional” subsistence allowance paid by CERN will be included in the internal tax system
 - “Occasional” subsistence allowance paid to Users, COAS, GPRO and VS by CERN will be covered by an internal tax certificate
 - ❑ Paid on a CERN budget code, e.g. 19500
 - ❑ CERN regular rules on subsistence allowance apply, i.e. AC11
 - “Occasional” subsistence allowance paid to Users, COAS, GPRO and VS on behalf of Third-Parties will NOT be covered by an internal tax certificate
 - ❑ Paid on a Third-Party Account (aka Team Account), e.g. T122111
 - ❑ CERN specific rules for occasional subsistence allowance apply

Internal Taxation certificate change – Update

Update

- Subsistence allowance at CERN

	MPs concerned	Paid by CERN (on a CERN budget code)	Paid on behalf of a Third-Party Account (on a Third-Party Account)
“Statutory” subsistence allowance	MPAs with statutory entitlement to a subsistence allowance: <ul style="list-style-type: none"> PJAS TECH DOCT Trainees Etc. 	<ul style="list-style-type: none"> Rules defined by: AC11 (art. 37) Subject to internal tax?: Yes 	<ul style="list-style-type: none"> Rules defined by: AC11 (art. 37) Subject to internal tax?: Yes
“Occasional” (or “discretionary”) subsistence allowance	MPAs without statutory entitlement to a subsistence allowance: <ul style="list-style-type: none"> USERS COAS VS GPRO 	<ul style="list-style-type: none"> Rules defined by: AC11 (art. 38) Subject to internal tax?: No Yes 	<ul style="list-style-type: none"> Rules defined by: Specific rules (memos) Subject to internal tax?: No

Internal Taxation certificate change – Reminder

Update

- As of 2020, the Internal Taxation certificate for occasional (i.e. non-statutory) subsistence allowance has stopped
- The last certificates were issued on February 2020, for the year 2019
- The taxable amount on the certificate was 0, whether the User received a subsistence or not
- The SRR stipulates that CERN shall levy an internal tax on the financial and family benefits paid by CERN
- Occasional (i.e. non-statutory) subsistence that are paid on behalf of Third-Parties (i.e. not committed by CERN) are not CERN financial and family benefits and therefore not subject to internal taxation
- 83% of the Users do not receive any subsistence allowance
- The Users have expressed the need for receiving a statement of subsistence allowance, even at 0, in French and English, upon request
- As Host Laboratory, CERN publishes guidelines to help MPs in filling their tax declaration in France and Switzerland
 - Guideline for France fully updated thanks to good contacts with Bellegarde
 - Still questions about how to declare the subsistence allowance to Switzerland, and impact on taxation

Internal Taxation certificate change – Update

Info and FAQ updated

- Where to find answers?
 - All questions are reviewed and answered. General questions are addressed in online procedures and FAQs so that it benefits to all (Last updated: August 19th)
 - The FAQ answers the questions about the change and clarifies some confusions
 - Also shows the timeline of communications
 - FAQ <https://cds.cern.ch/record/2665529/files/InternalTaxCertificateChange-FAQ.pdf>
 - General procedures are available in the Admin. e-Guide (e.g. how to fill the tax declarations?)
 - Admin. e-Guide <http://admin-eguide.web.cern.ch/en/procedure/income-taxation-overview>
(also see «other procedures» on right column)
 - General questions not answered in documents above? Private questions?
 - Social Affairs may help to figure out where to find the answer
 - Tax authorities websites (see next slide)
 - Complex/private questions to be addressed to relevant tax authorities