GIFTS & VOUCHERS FOR EMPLOYEES

Conditions of validity and exemptions

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Preamble

During certain events, the Social and Economic Committee or the employer directly, may give employees gifts, vouchers or gift vouchers. This allocation is optional, no collective agreement or employment contract can make it mandatory. The total amount over the year must not exceed 193 euros for 2024 and 196 euros for 2025.

1. What type of gift?

Three types of benefits can be offered to employees:

- **Vouchers**: Vouchers with a certain monetary value to be used in one or more stores or commercial businesses
- **Gift vouchers**: a voucher of a certain value offered as a gift for the purchase of a good or service in the designated store(s) or company(ies)
- **Gifts:** Any type of physical object.

2. For which employees?

The allocation of gifts must respect the **principle of equal treatment** between the company's employees. Thus, the allocation of the gift must in no way be discriminatory. This benefit must therefore be attributed to all members of the company indiscriminately and must not be used as a sanction.

Please note: seniority is considered a discriminatory criterion.

The following may benefit from it:

- **Employees:** all types of employees (including professionalization contracts) regardless of their hierarchical position, years of seniority or level of skills.
- **Managers**: can benefit from it in the same way as employees as long as they have an employment contract.
- **Interns**: the law provides that they must have the same access to social and cultural activities as the company's employees. As such, they must benefit from gift vouchers, gifts and vouchers.

3. How much is exempt?

The amount of the benefit is exempt from social security contributions up to a limit of 5% of the monthly social security ceiling, **i.e. €193 for 2024 and €196 for 2025 during the same calendar year and per employee.**

It is then quite possible to give several gifts per year and to each employee of the company.

4. Beyond this limit, can the amount be exempted?

Beyond this limit, gifts and/or vouchers are also exempt provided that the following 3 cumulative conditions are met:

- **The voucher must be awarded in connection with a specific event**

The list of events concerned is exhaustive: marriage, civil partnership, birth, adoption, retirement, Mother's Day/Father's Day, St Catherine/St Nicholas, Christmas for children up to 16 years old and employees, start of the school year for children under 26 years old.

- **The use of the voucher must be related to the event for which it is awarded**

Its purpose must be related to the event, it must mention either the nature of the good, or one or more departments of the store, or the name of one or more stores. And it cannot be exchanged for fuel or food products, unless they are of a festive nature.

- **The value of the voucher must be in accordance with usage**

This condition is presumed to be met if the amount of benefits granted to the employee for an event does not exceed the threshold of 5% of the monthly social security ceiling per calendar year.

The vouchers can therefore be combined, per event, if they meet the threshold of 5% of the monthly ceiling.

NB: the 5% threshold is adapted for certain events (Christmas and back to school).

If these three conditions are not met simultaneously, the voucher and/or gift is subject to social security contributions for its total amount.

5. No exemption

The tolerance relating to the exemption does not apply to vouchers or gifts awarded by the employer when there is a Social and Economic Committee in companies with more than 50 employees.

In addition, it is the non-discriminatory nature of the contribution exemption that is a condition for granting the exemption from contributions.

6. Example

The CSE allocates vouchers to employees at the time of their wedding, the birth of a child and the start of the school year.

Thus, during the year, the employee receives the following vouchers:

- a voucher worth €50 for their wedding;
- a voucher worth €80 for the birth of their child;
- a voucher worth €90 for the start of the school year for their 6-year-old child.

Thus, in total, the employee will benefit from vouchers for the amount of 220 euros during the calendar year.

This amount is therefore higher than the threshold of 5% of the monthly social security ceiling for 2024 (193 euros). On the other hand, each voucher respects the threshold for each event. Thus, vouchers are exempt from social security contributions. It is therefore necessary to assess whether the conditions for exemption are met for each allocation of vouchers.

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This fact sheet contains summary information that does not cover all possible situations, nor the legal texts applicable in France.

Please contact us for advice tailored to your situation. We cannot be held responsible for any misinterpretation of this sheet.

Contact

Claire APPELGHEM

Head of the HR/Employment Law Department

Claire.appelghem@groupe-aplitec.com
01 40 40 38 38

aplitec

4-14, rue Ferrus 75014 Paris
contact@groupe-aplitec.com | 01 40 40 38 38
www.groupe-aplitec.com