

The french Law on leasing

The french law agreed that the time's rent of a boat spent outside of the EU waters is not subject to VAT. The VAT is applicable on the portion of time a boat is sailing within EU waters. The proof of time use of a boat being difficult to demonstrate, the tax department agreed to charge a VAT rate of 50% of the normal rate, giving a VAT rate of 9,8% on the leasing .