

1. The short-term solution - For a structure that has no commercial activity

The **liaison office** is the suitable solution if you want to explore the French market. A liaison office is a representative office in France. It is a simple structure with no commercial activities and autonomy. Most of the time, registration is not required, except with URSSAF if the office has employees. A liaison office is not subject to taxes in France.

2. The long-term solution - For a structure with a commercial activity

A Branch

A branch is an entity of the foreign company that can legally bind the company (i.e. sign sales contracts).

This is an uncomplicated structure that can conduct commercial activities, make decisions independently as the branch's representative in France. Transactions are legally binding for the foreign company.

It is not a separate legal entity, but for tax purposes it is considered as an independent taxpayer in France. Branch offices are subject to taxes in France.

OR

A Subsidiary

A subsidiary is a company subject to French law that can conduct all types of business.

It is an autonomous legal entity.

Even if it is totally owned by a shareholder, a subsidiary remains a separate entity from its owner. It has its own asset base that is independent from that of its associate(s).

The flexible solution

SAS / SASU

- Great operational flexibility - legal auditor no longer required
- Each company makes its own articles of association
- 1 Chairman (compulsory) 1 or more Managing Director(s) (optional)
- No minimum starting capital: €1
- Ideal corporate form to raise capital (private equity and securities)

The simplest solution

SARL / EURL

- The most common form of company in France
- Simple to set up and run (no legal auditor mandatory)
- 1 or more managers; no minimum starting capital (€1)
- Between 1 and 100 partners
- No issue of equity and/or securities to raise funds

The elaborate solution

SA

- Legal auditor required; good for joint-ventures.
- 1 Chairman & CEO or 1 Chairman and 1 CEO
- Minimum of 2 shareholders*
- Board of Directors
- Minimum starting capital: €37,000
- Operating rules established by law
- IPO can be done