

# Official classification information

As you already know we highly recommend that you obtain an official classification for your rental property. The advantages are -

- it gives renters **peace of mind** that your property is genuine (many renters are fearful of scams)
- it means your property will be eligible to **be included in the local tourist offices** published list of rental properties
- it means that if potential renters contact the tourist office to check that your property really exists they will be told that it does (this is a common occurrence): a huge relief for renters worried about internet scams!
- if you are able to obtain a 4 or 5 star classification it shows that your property is of a high quality.
- we show the star rating on your website, on our portals and it is displayed on many of the websites we advertise on e.g. booking.com show the star rating in a very prominent way.
- there can be **sizeable tax advantages**. Unless you have registered your rental activity on the REEL (profit and loss) regime, the usual tax allowance for furnished rental in France on the MICRO regime is 50% of the turnover - ie, you are taxed on 50% of your turnover as the authorities give you a fixed allowance for expenditure. However, if your property qualifies for a tourist classification, you are entitled to an increased tax-free allowance of 71% AND your turnover threshold is increased to 81,500 Euros instead of 32,600 Euros per annum as the income is classed as "sales" instead of "furnished rental services"

The following steps are what you need to do to obtain the classification :

- consult the list of criteria (attached) to get an idea as to what level of rating you are likely to obtain. Action any works or purchases that will enable you to aim for the highest possible classification, ideally at least a four star rating
- Contact, or ask your manager to contact, Mme Emmanuelle Maire ([meubles@aravis.com](mailto:meubles@aravis.com) / [emmanuelle.maire@aravis.com](mailto:emmanuelle.maire@aravis.com) Tél: 04 50 02 78 75) to arrange a meeting if you want her advice on how to achieve the highest rates, or a visit to your property if you're already set

up to standards.

- at the **first free on-site visit** the inspector has a list of criteria to check, which is completed on an evaluation table to see whether the property fulfils the relevant standard or not
- you will receive a copy of the inspector's report after which you have 15 days in order to action any suggested changes in order to get a higher classification
- there is then a final property inspection (+ fee: around 100/150 euros depending on the property size)
- a tourist classification certificate with the relevant star rating is issued to the owner, valid for a period of 5 years
- inform us of the classification you have received and the classification number as well as its expiry date (5 years after the final visit) so that we can update your site and adverts
- to take advantage of the 71% income tax allowance, you need to provide a copy of the tourist certificate to your accountant (or tax authorities if you complete your own tax returns) to ensure the allowance is taken into account.

I hope this gives you enough information. Please do not hesitate to come back to us if needed.

Kind regards,

The OVO Team





