

PROPERTY

Location meublée non professionnelle (non-professional furnished letting)

Furnished letting under the actual-expenses regime, where depreciation absorbs much of the rent.

LMNP status allows the taxation of rents to be deferred through depreciation of the property and its furniture.

OVERVIEW

A furnished landlord is non-professional when furnished receipts stay below €23,000 a year or below the household's other earned income. Under the actual-expenses regime, the landlord deducts costs and depreciates the furniture and the building (excluding land), which often neutralises taxable profit for many years. Depreciation cannot create a deficit deductible from overall income. Below €77,700 of receipts, the micro-BIC regime offers a 50% allowance. For sales since 15 February 2025, depreciation deducted under the actual-expenses regime is added back when computing the capital gain, which is taxed under the private individuals' regime.

HOW IT WORKS

Purchase and furnishing

Home let furnished

Actual-expenses regime

Costs and depreciation deducted from rents

Sale

Private capital gain, depreciation added back

KEY POINTS

Strengths

Deductible depreciation: taxable profit often neutralised for many years

Receipts below €77,700: micro-BIC regime possible (50% allowance)

Depreciation available without setting up a company

Points to watch

Accounts compulsory under the actual-expenses regime

No loss can be offset against overall income

Capital gain on sale: private regime, with depreciation added back since 15 February 2025

LMNP status lost if receipts exceed €23,000 and the household's other earned income

WHO IT IS FOR

Owners of one or more furnished homes who want lightly taxed rental income while they hold them and are prepared to keep accounts. Furnished letting requires more active management than unfurnished letting.

WORKED

ILLUSTRATION

Example based on assumptions

Assumptions: an investor aged forty-five lets a €200,000 furnished studio, of which €160,000 relates to the building, for €12,000 a year. Under the actual-expenses regime, depreciation of the building (about €5,300 a year over 30 years) and of the furniture, added to costs and interest, reduces taxable profit to very little for many years. On resale, this depreciation will be added back when computing the capital gain.



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Risk of capital loss on resale. Letting risk: vacancy, arrears, damage. Costs, works and local taxes may rise. Acquisition costs are high and resale is slow. Tax regimes depend on conditions being met over time and on the legislation in force.

Complaints and mediation

Any complaint may be sent to ASTERALE, 4 allée Django Reinhardt, 94110 Arcueil, France, or to sebastien.bailly@asterale.fr. Failing a satisfactory reply within two months, you may refer the matter to the competent mediator. For financial investment advice: the AMF Ombudsman (Médiateur de l'AMF), 17 place de la Bourse, 75082 Paris Cedex 02 (www.amf-france.org/fr/le-mediateur). For insurance broking and intermediation, banking and payment services intermediation and property transactions: ANM Conso, 2 rue de Colmar, 94300 Vincennes (www.anm-conso.com, contact@anmconso.com).

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Information sheet updated on 6 October 2026

ASTERALE, 4 allée Django Reinhardt, 94110 Arcueil