YOUR REVENUE AUTHORITY

France: what the authority has published, and what CoVal does about it

Authority: Direction générale des finances publiques (DGFiP).
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> This page compares CoVal's default recommendations with what the DGFiP has published. The DGFiP has not reviewed or approved CoVal, and nothing here is tax advice. The valuer chooses the inputs, signs the valuation and remains responsible for it.

In short

In June 2026 the DGFiP published a new edition of its valuation guide, the first in twenty years. It sets out how to build a discount rate, accepts a discounted cash flow put forward by the taxpayer, and warns against counting the same risk twice. The guide does not bind the administration. France also offers something rare: a business owner can ask the administration to confirm a value before a gift.

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How CoVal compares

TOPIC	WHAT THE DGFIP HAS PUBLISHED	WHAT COVAL RECOMMENDS	HOW THEY COMPARE
Risk-free rate	A long-term government bond yield, at a 10-year maturity. [1]	A 10-year government bond yield less default risk.	Matches published guidance
Equity risk premium	The expected market return less the risk-free rate; historical or forward-looking. [1]	A forward-looking published premium.	Matches published guidance
Beta	A sector beta without debt, relevered to the company. Indicative ranges are given by level of risk. [1]	Sector betas, unlevered and relevered.	Matches published guidance
Risk specific to the company	A premium may be added if its principle and amount are justified. It must not repeat a risk already counted, and must not be applied mechanically. [1]	A scored premium, limited to risks not already counted.	Matches published guidance
Long-term growth	Long-term nominal growth of the economy, and not materially more. The guide points to the IMF outlook. [1]	IMF inflation plus real growth, capped.	Matches published guidance
Terminal value	A perpetuity as the usual approach; a liquidation or residual value for a business with a limited life. [1]	Perpetuity by default; the terminal value can be switched off.	Matches published guidance
Marketability	Listed multiples reflect a minority holder. A discount for illiquidity is justified when value	A scored discount applied at equity	Matches published guidance

	comes from listed comparables, and is applied to the value of the shares. [1]	value.	
From enterprise value to equity	Deduct net financial debt and the other bridge items. [1]	The same bridge.	Matches published guidance
Net asset value	Net assets restated to market value, as a going concern. [1]	Net assets restated to fair value, each adjustment with a reason.	Matches published guidance
Size premium	Allowed if justified, but not if the same risk is taken again as a discount. The guide asks for particular care between size and illiquidity. [1]	A scored size premium and a marketability discount.	Valuer to confirm Show that the two do not overlap.
Cost of capital	Weights at market values; a target debt ratio may come from comparables or sector data. [1]	The company's own balance sheet by default; a peer-based target is available.	Country setting For French tax work CoVal's default is the peer-based target.
Forecast	A taxpayer's discounted cash flow is examined like any other method. The plan must be justified, realistic and set at the date, and must be critically analysed. [1]	Checks on forecast growth and margins, with reasons for overrides.	Valuer to confirm The report must show the checks.
Market multiples	A sale of the company's own shares comes first. Otherwise comparables chosen by sector, geography, size and date. [1]	A screened peer set.	Valuer to confirm Confirm there was no recent sale of the company's own shares.
Control	Handled by weighting the methods, not by a separate premium or discount. A majority block leans towards asset value. [2]	A scored premium or discount.	Reference value shown CoVal keeps its own premium or discount and shows the administration's weighted figure beside its value, for comparison.
Reaching the value	A weighted combination of methods where no comparable sale exists. The guide says this is not a fixed rule. [2]	One primary method, with a cross-check.	Reference value shown CoVal does not blend methods. It shows the administration's weighted combination beside its own value, for comparison.

Where the authority will look to you

CoVal's default is consistent with the authority's position on the points marked Valuer to confirm . The authority expects the valuer to address them, and CoVal will prompt for each and record the answer in the report.

Worth knowing

A business owner planning a gift can ask the administration to take a position on the value beforehand. [3]

References

1. DGFiP, L'évaluation des entreprises et des titres de sociétés, June 2026, pages 4 to 35.
2. The same guide, Parts 3 and 4 (pages 49 to 53). Read in extract.
3. BOFiP, BOI-SJ-RES-10-20-20-90 (rescrit valeur).

How to read the marks.Matches published guidance: the authority has published a position on this input and CoVal's default follows it. **Consistent with practice**: no published rule for share valuations, but the authority applies the approach elsewhere or its tax court has accepted it. **No published position**: the authority has said nothing; CoVal's default is sourced and shown in the report. **Valuer to confirm**: CoVal's default is consistent with the authority's position, but the authority expects the valuer to address this point; CoVal will prompt for it and record the answer in the report. **Country setting**: the authority applies its own rule or figure; for tax work there CoVal's default is that rule. **Reference value shown**: the authority reaches a figure by its own formula or weighting; CoVal does not change how it values, and shows the authority's figure beside its own, for comparison. **Not covered**: CoVal does not do this; the valuer handles it outside the platform. No mark means "approved".

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