## HOW THE RULES GENERALLY APPLY

*Residency tests and tax treaties decide which country gets to tax what when more than one country has a claim. Here is how those rules generally work for the countries in a situation like yours.*

**United States:**

The United States generally taxes its citizens on worldwide income based on citizenship itself, not on physical residence, so the usual residency day-count tests are not what creates the connection here. For a situation like this the relevant facts are typically citizenship status and total worldwide income across all sources. A qualified professional can confirm how the citizenship-based rules apply to a specific case.

**France:**

France generally treats a person as tax resident if their main home or that of their family is in France, if France is their main place of stay, if they carry on their main professional activity there, or if their center of economic interests is there. For a situation like this, where a spouse or children and ongoing work are involved, the home and family factor often weighs heavily. None of this determines residency on its own, and the facts are assessed together.

**Other income-source and property countries:**

Countries where freelance clients are based or where property is located generally do not make someone resident merely because income or assets arise there, but they can apply source-based taxation on that local income. The facts that usually matter are where services are performed, where clients are located, and where real estate sits. A professional can map which countries have a source claim.

### What the treaty between your countries generally covers

**Convention between the Government of the United States of America and the Government of the French Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital**

- Residence tie-breaker rules generally decide a single country of residence when both countries could claim a person, using permanent home, center of vital interests, habitual abode, and nationality in order.
- Business and independent services articles generally tax such profits only in the residence country unless there is a permanent establishment or fixed base in the other.
- Dividend and interest articles generally cap source-country withholding and assign the residence country the role of relieving double taxation.
- Income from real property is generally taxable in the country where the property is located, with the residence country relieving double taxation through a credit.
- A saving clause generally lets the United States continue to tax its citizens as if parts of the treaty did not apply, with specified exceptions, which is why citizenship-based filing usually persists.