



Payroll & Labor Newsletter

September 2026

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What's new this month

 SICK LEAVE	 UNEMPLOYMENT AFTER MUTUAL TERMINATION	 FUEL ALLOWANCE
 Effective from September 1, 2026	 Effective from September 1, 2026	 Until December 31, 2026
31 days Initial maximum leave	15 months Under age 55	€1,000 Annual tax and social security exemption limit
62 days Maximum extension	20,5 months Age 55 and over	
 No maximum duration if the healthcare professional considers that the employee's medical condition justifies it.	 Subject to meeting all other eligibility requirements.	 Alternative eligibility conditions: • Living or working in an urban area with fewer than 100,000 inhabitants • Working hours incompatible with public transportation schedules • Employee required to travel between several work locations at their own expense

Case law update

Severance pay for termination by mutual agreement: the company-level agreement takes priority over the industry-wide collective bargaining agreement

Court of Cassation, July 1, 2026, No. 25-14.861

The Court of Cassation confirms that, when determining the minimum severance pay for termination by mutual agreement, the provisions of a company-level agreement take precedence over those of the industry-wide collective bargaining agreement when they address the same subject matter. Employers must therefore review the applicable agreements before setting the amount of severance pay to be paid to the employee.

 **Note:** The Labor Code gives priority to the company-level agreement over the industry-wide collective bargaining agreement with regard to the specific minimum severance pay for termination by mutual agreement, even if it is less favorable than the collective bargaining agreement.

The employer therefore has, on certain issues, some flexibility and room for negotiation within the company, and the “more favorable” rule for the employee may sometimes be set aside.

SYNTEC Fixed-Day Rate: A Recent Ruling Raises Questions About Wage Premiums

Bordeaux Court of Appeal, February 24, 2026 (23/04285)

In addition to the legal requirements for implementing a fixed-day rate, the SYNTEC collective bargaining agreement stipulates a wage requirement: the employee must receive compensation equal to at least 122% (Level 2.3) or 120% (Level 3) of the minimum wage set by the agreement.

The Bordeaux Court of Appeals recently **cast doubt on the implications of this provision:**

⇒ Is it “just” a prerequisite for entering into a fixed-day rate agreement with employees?

In that case, a company-level agreement could deviate from it, even in a less favorable direction (for example: employees at level 2.3 could be on a fixed-day rate with a salary increased by only 15%)

⇒ Or is it a minimum wage established by the text for these employees?

In that case, a company-level agreement cannot deviate from it in a less favorable manner.

 Pending the position of the Court of Cassation, great caution is required; we can assist you in ensuring the proper drafting of your company-level agreements.

On the payroll side

Proposed Decree: Reduction of the Cap on Daily Work-Related Injury and Occupational Disease Benefits

The daily wage used as the basis for calculating daily work-related injury and occupational disease benefits is capped at 400.82 euros in 2026.

Depending on the compensation rates, the maximum gross daily work-related injury and occupational disease benefit will therefore be 240.49 euros per day (60% of the daily wage) for the first 28 days of leave, then 320.66 euros starting on the 29th day (80% of the daily wage).

The Minister of Labor has confirmed his intention to **lower this cap to 1.8 times the minimum wage** (approximately €111).

This is currently a draft decree, but it is important to note the following:

- The reduction is significant, even though it applies only to high-income employees.
- This reduction will result in an increase in the supplemental benefits paid by the employer: what is no longer covered by the IJSS will be covered by the employer.
- This reduction could also lead to an increase in the cost of health insurance plans.

[i] Our advice: It may be advisable to review your health insurance policy to identify the terms of coverage in the event of a work stoppage, as well as the plan's response times.

True or False of the Month

Payroll savings: should we fear a new tax?



WHAT IS TRUE



Income from interest and investment remains partially taxed.

Interest and returns on Life Insurance, PEA, etc., may still be exempt from social security contributions under certain conditions, regardless of the amounts.



When funds are allocated to a payroll savings plan (PEE, PER, etc.)

under the conditions and deadlines set by the regulations, the amounts invested and any employer matching contributions can benefit from income tax exemption.



The lump-sum option

remains available in several cases of early withdrawal or reduced taxation, depending on the purpose and the nature of the amounts paid out.



WHAT HAS BEEN DENIED



Following information published in the press, the Matignon services have stated that the Prime Minister is not considering a new tax on payroll savings and has recalled that this concerns working documents that do not constitute final government decisions.



Please note

As of today, no reform modifying the tax treatment of payroll savings has been adopted. The information circulating concerns working hypotheses as part of the preparation of the 2027 budget.

It is therefore important to distinguish between the lines of thought discussed in the public debate and the measures that have actually been voted on and enacted.



KEY TAKEAWAY



No reform has been adopted as of today.

The Latest on Collective Bargaining Agreements

Fast Food sector

Court of Cassation, July 1, 2026, No. 25-12.008

According to Article 34 of the National Collective Bargaining Agreement for Fast Food, the weekly rest period is two days. The text specifies that the terms of application will be defined at the company level by the employer, taking into account customer needs, based on two consecutive days in establishments open seven days a week. However, the rule requiring two consecutive days off may be waived—either by mutual agreement between the parties or by decision of the employer—in the event of urgent work meeting certain criteria.

What we learn from this decision

The exception applies only to the requirement that the two days be consecutive; the employee is still entitled to two days of rest per week. An employment contract cannot override this rule and grant only one day of rest per week.

 **Our advice:** It is recommended to conduct regular checks to ensure compliance with daily and weekly rest periods. Failure to do so may expose the employer to criminal penalties (a fine of up to €1,500 per affected employee) or potential administrative sanctions.

Mark your calendars!

 Two dates to mark on your calendars in October:

Pay Transparency: Are You Ready?

Our experts are hosting a webinar **on October 12, 2026, from 11:00 a.m. to 12:00 p.m.** on pay transparency. It's essential to start planning now for upcoming changes that will permanently alter how you design and manage your compensation policy.

On the agenda: understanding the government's expectations and identifying the steps you need to take today to ensure the compliance of your payroll and compensation policy.

To register, visit our website (*note: The webinar will be in French*):

 <https://www.forvismazars.com/fr/fr/insights/publications-et-evenements/tous-les-evenements-de-forvis-mazars-en-france/webinar-transparence-salariale>

Forvis Mazars x Lucca: The Challenges of Digitalizing Human Resources with the Lucca HRIS

On Thursday, **October 15, 2026, from 11:00 a.m. to 12:00 p.m.**, our experts at Forvis Mazars, in collaboration with our partner Lucca, invite you to a webinar on simplifying day-to-day employee management while strengthening team engagement.

To register, visit our website (*note: The webinar will be in French*):

 [Webinar Forvis Mazars x Lucca | Simplifiez la gestion quotidienne de vos collaborateurs en renforçant l'engagement des équipes](#)



Our payroll and labor law experts are available to assist you and ensure your practices are compliant.

If you have any further questions, please feel free to contact your point of contact in the HR/Payroll department.

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