

This page has been automatically translated. Please refer to the page in French if needed.

Is an employee who retires entitled to severance pay?

Verified 01 January 2026 - Public Service / Directorate of Legal and Administrative Information (Prime Minister)

When you retire, you can receive compensation from your employer. The terms and conditions of this allowance vary depending on whether you decide to retire or whether your employer automatically retires you. We present these conditions of attribution.

Employee's request

In which case does the employee receive a retirement allowance? ^

You are entitled to severance pay if you voluntarily leave your company to retire and if you have **at least 10 years of service in the company**.

Severance pay for retirement is commonly referred to as *retirement bonus*.

The severance pay can only be granted once. It is granted when you apply for your basic retirement pension from the pension fund you are entitled to when you retire.

Please note

When you apply to retire, you must respect a **advance notice** whose duration is identical to that of notice in the event of dismissal (<https://www.service-public.gouv.fr/particuliers/vosdroits/F2855?lang=en>) .

What is the amount of severance pay? ^

The amount of your retirement benefit may not be less than the following statutory amount, depending on your length of service in the company:

Tableau - Minimum amount of severance pay in the event of voluntary departure

Seniority of the employee	Amount of compensation
10 years minimum and under 15 years	1/2 month salary
15 years minimum and under 20 years	1 month salary
20 years minimum and under 30 years	1 and a half months salary
At least 30 years	2 months salary

The salary used to calculate your allowance is, depending on what is most advantageous to you:

- Or the 12th^e of your gross remuneration for the last 12 months preceding your retirement
- That's one third of your gross compensation for the last 3 months. In this case, any bonus or other element of annual or exceptional salary paid during these 3 months is recalculated over 3 months. For example, if you received an annual bonus of **€550**, it will be taken into account up to **€137.50** (550 / 12 x 3).

A company or establishment agreement or arrangement or convention or a collective agreement may provide for more favorable amounts.

A simulator is used to determine the amount of compensation based on the collective agreement to which the company is attached:

To know the amount of compensation to which an employee who retires may be entitled (<https://www.service-public.gouv.fr/particuliers/vosdroits/R67712>).

If you worked full-time and part-time in the same company, the allowance is calculated in proportion to the length of time you worked full-time and part-time.

Example :

You worked 11 years in your company, 9 years full-time and 2 years part-time.

The most advantageous gross salary to calculate your severance pay is **€1,200** half-time, or **€2,400** full-time.

Your severance pay will be calculated based on the following salary: $(2,400 \times 9 / 11) + (1,200 \times 2 / 11) = 2,181.82$ and will therefore be equal to **€1,090.91** ($2,181.82 / 2$).

A company or establishment agreement, or a branch agreement or agreement, may provide for the possibility of using the severance payment to keep you fully or partially paid if you apply for part-time (or reduced-time) work at the end of your career.

If the amount of the severance pay is greater than the amount necessary to maintain your remuneration, the remainder is paid to you.

Is the severance pay subject to contributions and taxable? ^

Voluntary Retirement Compensation is **submitted** to contributions (from Social Security, CSG and CRDS) unless you decide to retire as part of a job protection plan (PES) (<https://www.service-public.gouv.fr/particuliers/vosdroits/F2811?lang=en>) .

It is taxable on income.

What amounts can the employee receive in addition to the retirement benefit? ^

In addition to your voluntary retirement benefit, you can receive the following amounts (if you meet the conditions to receive it):

- Compensatory leave with pay (<https://www.service-public.gouv.fr/particuliers/vosdroits/F24661?lang=en>)
- Compensation for notice (<https://www.service-public.gouv.fr/particuliers/vosdroits/F24660?lang=en>)
- Consideration in the event of non-compete clause (<https://www.service-public.gouv.fr/particuliers/vosdroits/F1910?lang=en>) .

Employer's decision

In which case does the employee receive a retirement allowance? ^

If your employer decides about you automatically retire (<https://www.service-public.gouv.fr/particuliers/vosdroits/F13966?lang=en>) , you are entitled to a **retirement benefit**.

Please note

You are also entitled to a **advance notice** whose duration is identical to that of notice in the event of dismissal (<https://www.service-public.gouv.fr/particuliers/vosdroits/F2855?lang=en>) .

What is the amount of the retirement benefit? ^

The amount of your retirement benefit may not be less than the following legal amount, depending on your seniority in the company:

- $\frac{1}{4}$ month's salary per year of service for the first 10 years
- $\frac{1}{3}$ months of salary per year of service from 11^e year.

The salary taken into account to calculate the allowance, called *reference salary*, is, according to what is most advantageous to you:

- This is the average monthly salary for the last 12 months before the day the letter of retirement was sent
- That's one-third of your salary in the last three months. In this case, any bonus or other element of annual or exceptional salary paid during these 3 months is recalculated over 3 months. For example, if you received an annual bonus of **€550**, it will be taken into account up to **€137.50** ($550 / 12 \times 3$).

A collective agreement may provide for more favorable amounts.

Your seniority is calculated until the effective date of termination of your employment contract, i.e **until the end of the notice**, even if it is not accomplished.

If your seniority includes an incomplete year, the allowance is calculated in proportion to the number of full months.

Example :

For a seniority of 12 years and 9 months and a reference salary of **€2,200**, the minimum allowance shall be: $[(2\ 200 \times 1/4) \times 10] + [(2\ 200 \times 1/3) \times 2] + [(2\ 200 \times 1/3) \times (9/12)] = \mathbf{€7,516.67}$.

If you worked full-time and part-time in the same company, the allowance is calculated in proportion to the length of time you worked full-time and part-time.

Example :

You worked 5 years in your company, 3 years full-time, then 2 years part-time.

Your reference salary is **€1,500** half-time, or **€3,000** full-time.

The amount of your allowance is calculated as follows: $(3,000 \times 1/4 \times 3) + (1,500 \times 1/4 \times 2) = \mathbf{€3,000}$.

Is the retirement benefit subject to contributions and taxable? ^

Social contributions

Depending on the amount, your retirement benefit is **submitted** to contributions (from Social Security, CSG and CRDS) under the following conditions:

- If it is less than **€480,600**, it shall be exempt from social security contributions on the part of its amount less than **€96,120**
- If it is greater than **€480,600**, it is fully subject to social security contributions
- The portion of your compensation less than **€96,120** is exempt from CSG and CRDS
- The portion of your compensation greater than **€96,120** is fully subject to CSG and CRDS (without deduction of **1.75%**).

Income tax

Your retirement benefit is **partly exempt from income tax**.

The portion of your retirement benefit that is exempt from income tax is the most advantageous of the following 3 amounts:

- Minimum legal amount or amount provided for in the agreement or collective agreement
- Or 2 times the amount of gross annual compensation you received in the year preceding your retirement, up to **€235,500** (for a retirement benefit received in 2024)
- Or **50%** the amount of your retirement benefit up to **€235,500** (for a retirement benefit received in 2024).

What amounts can the employee receive in addition to the retirement benefit? ^

In addition to your retirement benefit, you can receive the following amounts (if you meet the conditions to receive it):

- Compensatory leave with pay (<https://www.service-public.gouv.fr/particuliers/vosdroits/F24661?lang=en>)
- Compensation for notice (<https://www.service-public.gouv.fr/particuliers/vosdroits/F24660?lang=en>)
- Consideration in the event of non-compete clause (<https://www.service-public.gouv.fr/particuliers/vosdroits/F1910?lang=en>) .

Who can help me?

Find who can answer your questions in your region

- For any additional information

Administrative information by phone - Allô Service Public

 For more information on this subject, you can contact Allô Service Public.

Attention: the service does not have access to users' personal files and therefore cannot provide information on their progress.

He **does not respond** questions on unemployment compensation and approaches to the **France Labor** (formerly Pôle emploi), the **public servants** or **contract workers** of the **fcivil service**, the amount or payment of **contributions** social, wage or employer.

 **Lundi** : de 08h30 à 17h30

Mardi : de 08h30 à 12h15

Mercredi : de 08h30 à 12h15

Jeudi : de 08h30 à 17h30

Vendredi : de 13h00 à 16h15

 Service **Free**

 The informants who answer you belong to the ministry in charge of labor.

Statute and miscellaneous references

Labor Code: Articles L1237-5 to L1237-8

(https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000006072050/LEGISCTA000006195637/#LEGISCTA000006195637?lang=en)

Articles L1237-6 and L1237-7: Employer retirement

Labor Code: Articles L1237-9 to L1237-10

(https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000006072050/LEGISCTA000006195638/#LEGISCTA000006195638?lang=en)

Retirement at the initiative of the employee

Labor Code: Article L3123-5

(https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000006072050/LEGISCTA000033004158?lang=en)

Labor Code: Articles D1237-1 to D1237-2-3

(https://www.legifrance.gouv.fr/codes/section_lc/LEGITEXT000006072050/LEGISCTA000018483273?lang=en)

Retirement allowance (employee-initiated retirement)

Online services and forms

To know the amount of compensation to which an employee who retires may be entitled

(<https://www.service-public.gouv.fr/particuliers/vosdroits/R67712?lang=en>)

Simulateur

Additional topics

Retirement benefits

(<https://www.urssaf.fr/accueil/employeur/embaucher-gerer-salaries/gerer-fin-relation-travail/retraite.html?lang=en>)

Urssaf Caisse nationale (ex-Accoss)

Retirement benefits (<https://www.impots.gouv.fr/portail/particulier/indemnite-de-retraite?lang=en>)

Ministry of Finance