



U.S. Wine Importer Moving to France: Immigration, Tax and Trade Issues to Consider

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Imagine the following client:

A U.S. citizen owns a successful business importing French wine into the United States. As the business grows, he begins to consider relocating permanently to France and becoming a French citizen - both to manage supplier relationships more closely and to establish operations on the ground.

At first glance, the plan may sound straightforward. In reality, it raises **interconnected immigration, nationality, and trade questions** that are best analyzed together.

This article looks at three key pieces of that puzzle:

1. **How a U.S. citizen might acquire the right to live in France long-term, or even become French, and**
2. **How recent trade and tariff developments affect French wine exports to the U.S. - and why that matters for business planning**
3. **How relocating to France may trigger significant tax and compliance obligations.**



Part One: Immigration and Nationality Options for a U.S. Citizen in France

U.S. citizens exploring a move to France often assume that their only option is to apply for a long-term visa and, eventually, French citizenship through naturalization. That is sometimes true - but not always.

French nationality law provides **several distinct pathways**, each with different requirements and consequences. In some cases, individuals may already be French nationals under the law without realizing it.

1. Naturalization: A Discretionary Process

Naturalization is the best-known route to acquire citizenship in France, but it is **not a right**. It is a discretionary decision made by the French government after reviewing the applicant's personal circumstances.

Key requirements generally include:

- **Residence in France:** Typically, at least five years of lawful, continuous residence, though some limited exceptions exist.
- **French language ability:** As of January 2026, applicants must demonstrate French proficiency at approximately a B2 level of the Common European Framework of Reference for Languages (CEFR). This is an “upper intermediate” level and reflects understanding complex, technical, or abstract topics as well as interacting with fluency without strain.
- **Good character:** This includes the absence of serious criminal convictions and respect for public order.



Even when all legal requirements are met, approval is **not guaranteed**, and challenging a denial can be difficult. For that reason, it is important to examine whether another pathway may apply.

2. French Nationality by Descent

Some U.S. citizens are French nationals by operation of law because they have a French parent.

Under French law, a child is French if **at least one parent was French at the time of the child's birth**, regardless of where the child was born.

This form of nationality:

- Does not depend on residence in France
- Does not require French language skills
- Is not discretionary

In these cases, the legal issue is not whether nationality can be granted, but whether it can be **formally proven**. This requires reliable documentation showing both the parent's French nationality and the parent-child relationship.

3. Nationality Based on Birth in France

French law also recognizes limited situations where nationality can be acquired based on **birth in France**, but being born in France alone is not enough.

For example:

- A person born in France to foreign parents may automatically become French at age 18 if they lived in France for a sufficient period during childhood.



- In some cases, nationality can be claimed earlier by declaration.
- Special rules apply whereas a child would otherwise be stateless.

These pathways are rights-based, but they depend heavily on proof of residence and complete civil records.

4. The Importance of Civil Status Documents and Apostilles

Across all nationality pathways, **civil status documentation is critical**. French authorities require proof of a reliable and verifiable civil status.

For U.S. citizens, this often means ensuring that birth certificates, marriage certificates, and similar records are properly authenticated. Because both France and the United States are parties to the Hague Apostille Convention, U.S. documents generally must be issued with an **apostille** to be accepted in France.

In practice, many nationality cases succeed or fail—based less on legal theory—and more on whether the documentation is complete and technically correct. Grossman Young and Hammond and our French correspondent attorneys can help you ensure you have the correct documentation to ensure your case proceeds smoothly and expeditiously.

Part Two: Trade and Tariff Considerations for a French Wine Business

Immigration planning does not happen in a vacuum - especially for a business owner. Recent developments in U.S.–EU trade relations are particularly relevant for anyone involved in the wine and spirits sector.

Recent Changes in U.S.–EU Trade Relations



On July 27, 2025, the United States and the European Union reached a framework agreement aimed at reducing tariff escalation and strengthening trade cooperation. However, in January 2026, the European Parliament suspended the ratification process. As a result, the agreement is effectively **on hold** and has not fully entered into force.

In parallel, the United States implemented tariff measures that significantly affect European exports.

What This Means for French Wine

As of mid-2025:

- Many European products entering the U.S. market are subject to customs duties of up to 15%
- France did not obtain a specific exemption for wine and spirits
- French wine exports to the U.S. are therefore directly impacted by these higher tariffs

Before these changes, average U.S. tariffs on European goods were much lower. The increase has made French wine less competitive in the U.S. market and has forced many businesses to:

- Renegotiate contracts
- Adjust pricing strategies
- Reevaluate supply chains and distribution models



These shifts are not theoretical. Trade data already shows a slowdown in EU–U.S. exchanges, including a measurable decline in European exports to the United States.

Why This Matters for Relocation Decisions

For a U.S. wine importer considering a move to France, these trade developments matter for several reasons:

- They affect profit margins and long-term business planning
- They may influence decisions about where to locate key operations

They highlight the need for close coordination between **immigration status, corporate structure, and trade strategy**

Part Three: Tax Impacts of Relocating to France

Relocating to France triggers several important consequences that should not be overlooked, especially from a tax perspective. Being a U.S. citizen and therefore subject to the U.S. tax based on the citizenship-based taxation rule does not prevent an individual from also becoming taxable in France.

As a result, an individual may be subject to dual reporting and tax obligations in France and in the U.S. even though mechanisms exist to neutralize double taxation (tax treaty provisions, foreign tax credits, etc.).

Therefore, living in France and/or performing a professional activity on French territory generally creates French tax obligations starting from day one, as soon as the person is effectively settled in France.



French tax residency status

Any person who lives in France on a habitual basis, particularly with their family, is generally considered a French tax resident from the date of their installation in France.

Under French domestic tax law, an individual is considered a French tax resident if they meet one of the following criteria:

- they have their home in France (place where they normally live and where their family resides),
- they have their main place of stay in France,
- they carry out their main professional activity in France,
- they have in France the center of their economic interests.

Even under the tax treaty between France and the United States, the concept of a “permanent home” is a key factor. As such, an individual relocating to France with the intention of staying may be treated as a French tax resident.

The French tax authorities recognize several indicators that may support the existence of a **permanent home in France**, such as:

- giving up main residence in the United States,
- signing a long-term lease agreement or purchasing a property in France,
- enrolling children in the French school system,
- registering with the French social security system,
- stable and continuous presence in France.



Tax Treatment of a business activity carried out between France and the United States

Beyond the issue of personal tax residency, operating a commercial activity from France may result in the creation of a French establishment, both from a legal and tax standpoint.

In practice, as soon as an entrepreneur operates from France (daily management, business development, providing services, invoicing, effective decision-making), French authorities may consider that the activity is effectively carried out in France, even if the commercialization and customer market is located in the United States. This generally requires the individual to declare and register the activity with the relevant French administrative authorities and comply with French reporting obligations.

Conducting business activity from French territory typically requires:

- the creation of a business entity or establishment in France,
- registration with the relevant authorities (Commercial Register, URSSAF, tax administration, etc.),
- opening a professional bank account,
- filing and paying VAT (if applicable),
- reporting business income and paying the relevant French social contributions and income tax.

Therefore, even if the business is legally incorporated in the United States and generates revenue primarily from U.S. clients, operating and managing the activity from France as a French tax resident may result in France asserting taxing rights over all of the income derived from that activity.

Bringing It All Together

For U.S. entrepreneurs looking to relocate to France - especially those in cross-border industries like wine and spirits - immigration and trade issues are deeply interconnected.



A successful transition requires:

- Careful analysis of immigration or nationality options
- Attention to documentation and procedural requirements
- A clear understanding of the evolving trade and tariff environment
- Compliance with all social and tax formalities in France

Most importantly, it benefits from **coordinated advice across legal disciplines**, rather than addressing each issue in isolation

Interested in learning more? Join our upcoming webinar, where French immigration, tax, and business law professionals will walk through this hypothetical in real time and answer common questions.