

Circular

Istanbul, 29 December 2017

Circular No: 140

Subject: Certain monetary quantities and the amounts of irregularity and special irregularity penalties to be applied in 2018 announced.

Certain monetary quantities and the amounts of irregularity and special irregularity penalties that will be applied in 2018 within the scope of Tax Procedures Law have been announced through the Tax Procedures Law General Communique series no.490 published in the Official Gazette dated 29 December 2017.

*Accordingly, for the equity companies, the **first degree irregularity penalty is TL 148** and the second degree irregularity penalty is TL 80 in 2018.*

Besides, in 2018, the special irregularity penalty to be applied if invoices are not issued (provided that it is not less than 10% of the amount that must be written on the document) will be TL 240, the special irregularity penalty to be applied if delivery notes are not issued will be TL 240, and the special irregularity penalty to be applied if electronic tax returns and notifications are not submitted by class one merchants will be TL 1.600.

For 2018, the limit for invoice issuance and applying depreciation is TL 1.000.

Our explanations provided above include general information on the issue. No responsibility can be claimed against EY and Kuzey YMM ve Bağımsız Denetim A.Ş. due to the implications arising from the context of this document or emerging with respect to its context.

Best Regards,

KUZEY YMM VE BAĞIMSIZ DENETİM A.Ş.