

Circular

Istanbul, 6 February 2017

Circular No: 18

Subject: *New arrangements concerning the refund claims arising from deliveries subject to reduced rate announced through the Communique series no.10.*

Through the VAT Communique series no.10 published in the Official Gazette dated 3 February 2017, new arrangements concerning the refund claims arising from deliveries subject to reduced rate have been announced. Pertaining to that;

- The facility of refunds in cash within its year is provided concerning the VAT refund receivables arising from residential deliveries subject to reduced rate.

- For the VAT refund receivables arising from transactions subject to reduced rate; the non-refundable amount, pursuant to the Council of Ministers Decision no. 2017/9759, has been identified as 10.000 TL (annually) concerning the calendar years of 2016 and 2017.

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.