

Circular

Istanbul, 23 February 2017

Circular No: 36

Subject: *Certain amendments announced on the legislation for investment incentives through the Council of Ministers Decision no. 2017/9917.*

Through the Council of Ministers Decision no. 2017/9917 published in the Official Gazette dated 22 February 2017 and enacted as of the same date, certain amendments have been announced on the Decision Regarding State Aids for Investments no.2012/3305. Pursuant to that;

- In accordance with VAT exemption launched through the Law no.6770 over the sale and leasing of software and intangible rights handled within the scope of incentive certificate, the wording of "with the documented sale and leasing of software and intangible rights" has been added to the first sub-clause of Article 10 titled as "VAT exemption and refund" within the Council of Ministers Decision no. 2012/3305.*
- The supports identified concerning the related investment types for the 6th region will be provided to the regional, large scaled and strategical investments to be performed in organized industrial sites of 4th and 5th region provinces within the scope of Attraction Centers Programme and organized industrial sites in Kilis.*
- A facility of benefitting the additional incentives for investments moved under the Support Package for Moving Production Plants as part of the Attraction Centers Programme has been introduced within the scope of the Decision no. 2012/3305.*
- Call centers and data centers to be set up in the provinces within the scope of the Attraction Centers Programme will be benefitting the regional incentives regardless of a provision on minimum investment amount.*
- Up to date topics of investment have been added into the existing regional investment themes.*
- A facility of benefitting the 4th region supports has been introduced for the investments regarding "shotguns, fireworks, parts and equipments for shotguns" performed within 1st, 2nd and 3rd regions.*
- Within the scope of investment incentive certificates drafted regarding the manufacturing industry (US-97 Code 15-37), additional advantages have been provided for the investment expenditures between 01.01.2017-31.12.2017.*

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.