

Circular

Istanbul, 4 April 2017

Circular No: 51

Subject: *The requirement of handling payments and proceeds for farmers' product sales to wholesale markets through banks removed.*

Pertaining to the Tax Procedural Law General Communique series no.459, payments and proceeds exceeding TL 7.000 are required to be made through financial institutions. The aforementioned Communique contains information on payments and proceeds that are out of the scope also.

Through the Tax Procedural Law General Communique series no. 479 enacted as of its promulgation in the Official Gazette dated 1 April 2017, one more item started to appear among the payments and proceeds without the requirement of being handled through mediating financial institutions.

Pursuant to that, payments and proceeds concerning the sales of fruits, vegetables, meat and meat products, milk and dairy products, water and fisheries, honey, eggs and other food products, cut flowers and ornamental plants to merchants, producers, manufacturer associations and commissioners dealing with activities at wholesale markets established under the terms of the Law on Regulation of Trading Fruits, Vegetables and Other Goods with Sufficient Perspective for Supply and Demand no.5957 and sales subject to notification under the aforementioned Law's Article 4 as well as performed in places other than the indicated ones that are handled by farmers not subject to real taxation system are not required to be made through financial institutions.

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.