

Circular

Istanbul, 9 June 2017

Circular No: 71

Subject: Requirement of bank remittance introduced for payments received on short-term residential hiring.

Through the Income Tax Communique series no.268 published in the Official Gazette dated 29 July 2008; the requirement of authenticating the revenue received and payments for hiring with documentary proof issued by banks or General Directorate of Posts and Telegraph (PTT) as of 1 November 2008 had been launched for;

- *the ones acquiring rental income of TL 500 and over monthly for each residence,*
- *tenants and asset owners leasing out their offices.*

Through the Communique series no.298 published in the Official Gazette dated 9 June 2017, the above wording "On residential side, the asset owners acquiring rental income of TL 500 and over monthly for each residence" has been amended as "On residential side, asset owners acquiring rental income of TL 500 and over monthly for each residence; regardless of the acquired amount in weekly, daily or similar short-dated rentals".

The Communique will be enacted as of 1 July 2017.

Pertaining to that, to be effective as of 1 July 2017; asset owners leasing out their residences weekly, daily or short-dated similarly are required to authenticate their income from rentals, regardless of the amount, with documentary proof issued by banks or General Directorate of Posts and Telegraph (PTT).

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.