

Circular

Istanbul, 13 June 2018

Circular No: 75

Subject: Procedures and principles of the SCT reduction applied on those scrapping cars aged over 16 have been identified.

The temporary Article 1 of the Law no.7103 published in the 2nd repetitive Official Gazette dated 27 March 2018 contains a regulation indicating that a portion of the special consumption tax (SCT) accrued at the first acquisition of a new car to be identified by the Council of Ministers, on the condition that it does not exceed TL 10.000 in line with their types and features in case cars aged 16 and over existing under the HS Code 8701.20, 87.02, 87.03, 87.04 within list (II) attached to the SCT Law subject to entry and registry are exported or scrapped by real or legal persons through deleting entry and registry, with an engine capacity under 1600 cm³ for vehicles under HS Code 87.03 will be cancelled.

Through the General Communiqué Regarding the Implementation of Temporary Article 1 within the Law no.7103, published in the Official Gazette dated 11 June 2018, procedure and principles have been identified concerning SCT implementation on new vehicle purchase following the export or scrapping of vehicles aged 16 and over arranged within the aforementioned article.

The Communiqué has been enacted as of 11 June 2018.

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.