

Circular

Istanbul, 18 December 2017

Circular No: 128

Subject: Self-employed, taxpayers subject to operation account method and simple entry should switch to Electronic Bookkeeping Declaration System as of 01.01.2018.

Tax Procedures Law General Communiqué series no.486 has been published in the Official Gazette dated 17 December 2017. Pursuant to the Communiqué, the Electronic Bookkeeping Declaration System is introduced with the purposes of electronic bookkeeping entry, gathering the books electronically with reference to those entries and preserving them, electronic submission of tax returns, notifications, petitions and drafting documents electronically for the self-employed, taxpayers keeping books by operation account method and taxpayers subject to bookkeeping by single entry.

The taxpayers that are required to use this system should be applying through the web page of www.defterbeyan.gov.tr or the registered tax office in terms of income tax until the last day of the month prior to the calendar year that they will start using the system (31 December 2017 for 2018) (including this date).

The taxpayers subject to single entry and the self-employed will be starting to use the system as of 1 January 2018 (excluding the notaries and the ones subject to the execution of notary task while the other taxpayers will start from 1 January 2019).

However pertaining to the temporary article within the Communiqué, applications to be submitted by the taxpayers that will start using the system from the beginning of 2018 until 31 December 2017 could be done till 31 January 2018 by the self-employed and till 30 June 2018 by the taxpayers subject to simple entry.

Through the Electronic Bookkeeping Declaration System, it will be possible to keep operating ledgers, farmers' operating ledgers, self-employment income ledgers, depreciation books, inventory register, stamp tax books, warehouse books and termination tasks books electronically.

Invoices and the documents that may replace invoices, self-employment voucher, producer receipt, note of expenses, shipment waybill and other similar documents will be issued through this system or electronically via the system as well.

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.