

Circular

Istanbul, 4 July 2017

Circular No: 81

Subject: Daily allowance amounts applicable abroad and domestically that are exempt from income tax (01.07.2017-31.12.2017).

Coefficients to be applied in the period of 01.07.2017-31.12.2017 within the scope of articles 5 and 8 in the third term joint agreement published in the Official Gazette dated 23 August 2015 had been identified. The table containing tax-exempt daily allowance amounts domestically applicable and new income tax brackets computed using the mentioned coefficients is provided below (Table 1).

Also, please find the foreign currency denominated amounts for daily allowances applicable abroad, identified through the Council of Ministers Decision series no. 2016/9715 published in the Official Gazette dated 20 January 2017 within the attachment of our circular (Table 2).

Additionally, matters provided below should be paid attention concerning the implementation on allowances for travels abroad:

- On temporary assignment travels and stays abroad covering more than one country, the allowance amount specific to the related country should be taken into account for stays in each country.*
- For the first 10 days within the total foreign travel and stay period, amounts disclosed on the table attached to our circular may be paid 50 % more.*

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.