

New term for the taxation of income acquired through independent personal services

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Determination of the right of taxation of Turkey regarding the profits arising from independent personal services and the conditions for the application of the exemptions are arguable issues for taxpayers. In order to clarify the questions occurred, the General Communiqué (Serial No: 4) regarding the independent personal services is prepared and announced by the Revenue Administration on September 26th 2017.

The man * day account application has been terminated by the communiqué. Another issue that has changed with the implementation of the Communiqué relates to the application of the withholding tax for the cases in which the duration of stay in Turkey does not rely on the number of non-residents. With the Communiqué entering into force, this case will no longer be questionable. The Communiqué provides the obligation to fill in the form No: 1. This form will provide information on the number of days in which the Turkish resident will be staying in Turkey. Therefore, the Turkish resident providing this form will be obliged to know how many days are stayed in Turkey for this service and to fulfill the tax liability within the framework of the related regulations. In this respect, our article will explain the new regulations and make comprehensive analysis regarding the independent personal services referring to the current communiqué and also Double Tax Treaties.

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