

## Circular

Istanbul, 15 February 2019

Circular No: 27

### **Subject: Procedures and principles identified for the implementation of withholding on payments to the advertisers on the internet.**

Regarding advertising services supplied on the internet, the payments made to those providing this service or acting as an intermediary in delivering advertising services on the internet had been included into the scope of withholding through the Presidential Decision no.476 published in the Official Gazette dated 19 December 2018.

By the Decision, the aforementioned withholding rate is identified as 15 % for payments made within the scope of Article 94 of the ITL (Income Tax Law) and Article 30 of the CTL (Corporate Tax Law) while the rate for payments under the Article 15 of CTL is set as 0%.

Procedures and principles concerning the implementation of the Decision which was enacted to apply on the payments that will be made as of 1 January 2019 have been identified through the Corporate Tax General Communique series no.17 published in the Official Gazette dated 15 February 2019.

*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.