

Circular

Istanbul, 15 March 2019

Circular No: 41

Subject: Statements made on the requirement of paying taxes within the deadline effective for the “compliant taxpayers”.

One of the conditions for the tax deduction applicable to compliant taxpayers is that the taxes accrued on the tax returns are paid within the statutory term. The concerning provision contained regulation indicating that missing payments up to TL 10 for each tax return shall not be considered as a violation of this requirement. However, through the Law no.7162, the amount of TL 10 has been amended as TL 250. This amendment is taken into consideration in terms of the existence of the requirements for deduction within the annual income and corporate tax returns to be submitted as of January 2019.

Sampled statements regarding the implementation of this provision have been made through the Income Tax General Communique series no.307 published in the Official Gazette dated 15 March 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.