

Circular

Istanbul, 2 January 2020

Circular No: 3

Subject: Obligation to sell at least 80% of the export proceeds to a bank lifted.

Through the Communiqué no. 2018-32/48 published in the Official Gazette dated 4 September 2018, regulation had been introduced imposing the transfer of the amounts related to export transactions carried out by Turkish residents to the intermediary bank following the importer's payment directly and without delay. The Communiqué contained a provision indicating that the period of bringing the amounts to the country cannot exceed 180 days from the actual date of export and that at least 80% of these amounts should be sold to a bank.

The obligation to sell at least 80% of the export proceeds to a bank has been removed through the Communiqué no. 2019-32 / 56 published in the 5th repetitive Official Gazette dated 31 December 2019.

- In the export of goods for commercial purposes, the accounts related to exports brought within that period are closed by intermediary banks. To this section in the new Communiqué; a provision has been added stating that banks must fill in the form called "Export Proceed Acceptance Document" indicating the relevant amounts are brought to the country.

- "Justified case" status has been added to the article about force majeure situations. Accordingly, the justified case is defined as; except for force majeure situations, the cases that prevent the export price to be brought to the country within the permitted period and can be certified with official records. These situations may be considered as justified case by the Tax Office Departments or Tax Office Directorates.

The Communiqué no. 2019-32 / 56 has been enacted as of the publication date (31 December 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.