

Circular

Istanbul, 30 January 2020

Circular No: 19

Subject: Current status in the valuable housing tax introduced by Law no. 7194.

One of the newly introduced taxes through the Law no.7194 published in the Official Gazette dated 7 December 2019 is the valuable housing tax. As per the regulation, immovables qualified for housing with a the value of TL 5 million and over set by the General Directorate of Land Registry and Cadastre (TKGM) located within the borders of Turkey are subject to a valuable housing tax.

In the regulation, it is indicated that value of the house determined as a result of the valuation made by TKGM will be announced on the website of TKGM and it will also be notified to the relevant person.

Since there is no obligation to make valuation, announcement and notification by TKGM for dwellings whose building tax value exceeds TL 5 million in 2019, liability has started for 2020. If there is no change, these taxpayers will need to submit a valuable housing tax return by 20 February 2020.

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.