

## Circular

**Istanbul, 1 April 2020**

**Circular No: 50**

### **Subject: Deduction of donations and aids to the campaign launched by the President for Covid-19 outbreak from income and corporate tax bases.**

The President of Turkey has launched an aid campaign in his "State of the Union" speech dated 30 March 2020.

Article 10 of the Corporate Tax Law and Article 89 of the Income Tax Law contain provisions indicating that all the in-kind and cash donations to the aid campaigns initiated by the President made against receipt can be deducted from the corporate income/declared income.

Although the President stated in his speech on 30 March that he had initiated an aid campaign, any presidential decision was not published in the Official Gazette as of the date of our circular. In previous similar implementations, for example in the aid campaign for the Elazig earthquake, a presidential decision was issued regarding the launch of the campaign.

Although the relevant provisions in CTL and ITL do not include formal conditions for the launch of the campaign (as a Decision should be published), considering the previous practices, an expectation has appeared for the publication of a presidential decision regarding this campaign. If such a decision is published, it will be announced to you, as well.

*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.**