

Circular

Istanbul, 23 December 2020

Circular No: 117

Subject: VAT rate cuts to be applied until the year end on some services extended until 31 May 2021.

The VAT rate was reduced to 8% for some services and 1% others until 31 December 2020 (including this date) through the Presidential Decision no.2812 published in the Official Gazette dated 31 July 2020.

This time, with the Presidential Decision no.3318 published in the Official Gazette dated 23 December 2020, the period of these rate cuts have been extended until 31 May 2021. The list of services with reduced VAT rates are available in our circular dated 1 August 2020 no 084.

Also, through the aforementioned Presidential Decision, a regulation was made indicating that the VAT rate will be applied as 1% on the delivery of Covid-19 vaccines approved by the Ministry of Health until 31.12.2021 (including this date).

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.