

Circular

Istanbul, 29 December 2020

Circular No: 128

Subject: Certain monetary quantities to be applied in 2021 within the scope of Income Tax Law announced.

Certain monetary quantities calculated by the Treasury and Finance Ministry on the basis of revaluation rate (9,11%) set for 2020 and to be applicable in 2021 are as follows:

1. Exemption amount in residential rent incomes: TL 7.000,
2. Exemption amount in benefits supplied by employers by providing employees lunch outside the office or office outbuildings: TL 25,
3. Exemption amount for benefits provided by employers for service professionals to travel to and from the workplace TL 13,
4. Disability allowance amounts, respectively: TL 1.500, TL 860 and TL 380,
5. During the determination of commercial and self-employment income; the amount of the deductible rent for each passenger car acquired through rental: TL 6.000,
6. During the determination of commercial and self-employment income; total amount of special consumption tax and value added tax that can be deducted as expense in the first acquisition of passenger cars: TL 150,000,
7. During the determination of commercial and self-employment income, the amount that can be deducted as depreciation, valid for passenger cars; 170,000 TL excluding special consumption tax and value added tax, 320,000 TL in cases where taxes are added to the cost price or a passenger car is acquired as second hand,
8. Deduction amount for commercial earnings based on simple entry: TL 14.000,
9. General Requirements for being subject to simple procedure, respectively: TL 12.000 and TL 7.600,
10. Specific Requirements for being subject to simple procedure, respectively: TL 150.000, TL 240.000, TL 76.000 and TL 150.000,
11. Exemption amount related to capital gains: TL 19.000,
12. Exemption amount concerning the incidental income: TL 43.000,
13. The declaration limit in revenues obtained from movable and immovable property subjected to withholding: TL 53.000,
14. The declaration limit in revenues obtained from movable and immovable property not subjected to withholding and exemption application: TL 2.800.

15. The maximum deduction amount that taxpayers can benefit from in their annual income and corporate tax returns as of 1 January 2021; TL 1.500.000.

These amounts have been announced through the Income Tax General Communique series no.313 published in the repetitive Official Gazette dated 29 December 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.