

Circular

April 01, 2021

Circular No: 25

Subject: Reduced rate withholding applied to deposit interests and dividends paid by participation banks is extended until May 31, 2021.

According to Presidency Decree No.3032 published on Official Gazette dated September 30, 2020, withholding rates, made on interest obtained from Turkish Lira deposit accounts and dividends paid to participation accounts by participation banks, had been reduced. Afterwards, period of such application was extended until March 31, 2021 according to Presidency Decree No. 3031 (OG: 23.12.2020).

In accordance with the Presidency Decree no.3755 published on Official Gazette dated April 1, 2021, application period of such rate reduction has been extended until **May 31**.

In this framework, **withholding at rates of 5%, 3% and 0% according to its maturity** shall be made on TL deposit interests and dividends paid by participation banks in return for the TL participation accounts.

The abovementioned withholding rates shall be applicable for interest and dividends payable in terms of deposit and special current accounts until May 31, 2021 (including this date) and interest and dividends payable in terms of accounts opened or whose maturity is renewed between September 30, 2020 and May 31, 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.