

Circular

30 September 2021

Circular No: 82

Subject: VAT rate in terms of deliveries of second-hand mobile phones through granting refurbished product has been reduced to 1%.

According to Presidency Decree numbered 4517 (OG: 30.09.2021) which shall enter into force on October 1, 2021; 1% of VAT rate shall be calculated in terms of deliveries of mobile phones having at least one year of data, voice or short message traffic through providing refurbished product guarantee by authorized dealers and refurbishing centers provided refurbishing and certificating such second-hand mobile phones in scope of "Regulation on Sales of Refurbished Products".

Taxes incurred by the taxpayers due to goods delivered in the above scope shall not be included in the refund account belonging to their transactions subject to reduced rate.

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.