

## Circular

21 December 2021

Circular No: 114

### **Subject: The inflation discount rate to be applied to some revenues in 2021 has been announced as 217%.**

Inflation discount rate applied in the declaration of some securities capital gains was declared as greater than one (217%).

Issued in Turkish Lira before 1 January 2006 due to the discount rate being greater than one;

- Treasury bills and government bonds,
- Securities issued by the Housing Development Administration and Privatization Administration and
- From private sector bonds,

Securities capital gains (coupon interest and redemption income) obtained by individual investors in 2021 will not be declared.

No discount rate is applied in the declaration of securities capital gains obtained from securities indexed to foreign currency, gold or any other value and securities issued in foreign currency. In addition, there is no discount rate applied for earnings and revenues included in commercial enterprises.

These discount amounts have been announced with the Serial No. 317 General Communique on Income Tax General published in the Official Gazette dated December 21,2021.

*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.