

Circular

30 December 2022

Circular No: 128

Subject: Inflation discount rate to be applied to some incomes in 2022 was announced as 677.67%.

Inflation discount rate applied in the declaration of some securities capital gains was announced as greater than one (677,67%).

Since the discount rate is more than one;

- ▶ Treasury bonds and government bonds,
- ▶ Securities issued by the Housing Development Administration and the Privatization Administration and
- ▶ Private sector bonds and
- ▶ Securities capital gains (coupon interest and redemption income) obtained by individual investors in 2022, issued in Turkish Lira before January 1, 2006,

shall 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 income and revenues included in commercial enterprises.

The specified discount rate was announced with the Income Tax General Communiqué with serial number 323 published in the 2nd repeated Official Gazette dated 30 December 2022.

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.