

Circular

7 February 2023

Circular No: 23

Subject: Deduction of donations deposited in bank accounts announced by AFAD (Disaster and Emergency Management Presidency) for the victims of the Kahramanmaraş earthquakes from income and corporate tax bases.

In accordance with the Presidency Decree numbered 3483 and published on Official Gazette dated February 3, 2021, it is stipulated that humanitarian assistance campaign shall be commenced in the coordination of AFAD in case it is deemed necessary for victims of natural disaster subsequent to earthquakes which may occur in our country.

Two earthquakes at magnitudes of 7,7 and 7,6 have occurred in Kahramanmaraş on February 6, 2023. In our view, all of the cash donations, made to the victims of these earthquakes through the account numbers announced by AFAD on its website, can be deducted from the income declared provided that being demonstrated separately on both advance and also income and corporate tax return in scope of regulations made under article 10 of Corporate Tax Law and article 89 of Income Tax Law.

According to Serial No.1 General Communiqué on Corporate Tax, it is possible for such cash donations to be documented with bank receipt.

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.