

Circular

30 March 2023

Circular No: 51

Subject: In the CPA certification reports, the principles regarding the counter inspection reports were determined for the taxpayers in the earthquake zone where force majeure was declared.

According to the Communiqué numbered 47 published in the Official Gazette on March 30, 2023, the principles regarding the counter-inspection report for taxpayers in places where force majeure is declared in the certification reports prepared by sworn-in certified public accountants (YMM) are determined as follows.

- If there is a certificate of loss regarding the loss of the books and documents of the taxpayers, in the certification reports to be prepared by CPAs, in the counter inspections to be made before the taxpayers in the places where force majeure is declared, the counter-inspection report for the periods to which the lost books and documents belong will not be sought.
- When calculating the 80% rate in the counter inspections to be made in VAT refunds, first of all, counter inspections regarding the goods and services taken from the taxpayers operating outside the places where force majeure is declared and from the taxpayers whose legal books and documents are not lost and located in the places where force majeure is declared should be taken into consideration.
- If the 80% rate cannot be reached as above, the amounts specified in the books and documents of the taxpayers whose legal books and documents are lost in places where force majeure is declared may also be taken into account in the calculation of this rate without the presence of a counter inspection report.
- Explanations regarding the accuracy of the documents, which cannot be made before the taxpayers whose books and documents are lost, but which are taken into account in the counter-inspection calculation, and other proving documents (shipping, payment, waybill, etc.) will be included in the CPA certification reports.

The communiqué has entered into force on its publication date (March 30, 2023).

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.