

Circular

31 December 2023

Circular No: 129

Subject: The inflation discount rate to be applied to certain revenues in 2023 has been announced as 352,38%.

Inflation discount rate applied in the declaration of some securities capital gains was declared as greater than one (352,38%).

Since the reduction rate is more than one, those below issued with Turkish Lira before January 1, 2006 are covered:

- 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 2023 will not be declared for the above.

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.

The above rate was were announced with the Serial No 324 Income Tax General Communiqué published in the 2nd repeated Official Gazette dated 30 December 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.