

## Circular

31 December 2023

Circular No: 133

### **Subject: Communique stipulating the principles and procedures of inflation adjustment has been published.**

Inflation adjustment in accordance with paragraph (A) of repeating Article 298 of the Tax Procedure Law is briefly defined as the process of calculating the historical values of non-monetary assets in the balance sheet (the amount to be taken as basis for adjustment) in terms of purchasing power at the date of the balance sheet by multiplying them with the adjustment coefficient.

The procedures and principles of inflation adjustment application are determined by the Tax Procedural Law General Communiqué numbered 555, published in the 2nd repeating Official Gazette dated 30 December 2023.

The communique has entered into force on its publication date (December 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.