

July 10, 2023
2023-1194

Turkiye increases VAT rates on goods and services

Presidential Decree No. 7346, which was published in the *Official Gazette* on 7 July 2023, makes the following changes in value added tax (VAT) rates:

- VAT rate increased from 8% to 10% for deliveries and services included in "list II," which includes toothbrushes, toothpaste, dental floss
- VAT rate increased from 8% to 20% for soap, shampoo, detergent, disinfectants, wet wipes (whether soap, detergent or solution impregnated), toilet paper, paper towels, tissue and napkins
- General rate of 18% increased to 20% for transactions subject to taxation, except those included in "lists I and II"

These changes are effective as of 10 July 2023. In light of these changes, starting from 10 July, Türkiye's VAT rates will be as follows:

- Standard 20%
- Reduced 1%, 10%

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Published by NTD's Tax Technical Knowledge Services group; Carolyn Wright, legal editor

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