

## Circular

17 July 2024

Circular No: 53

### **Subject: The regulations of the Bill of Law submitted to the Turkish Grand National Assembly on July 16 related to the Local and Global Minimum Complementary Corporate Income Tax.**

Many studies have been conducted by the Organization for Economic Development and Cooperation (OECD) to address the emerging problems related to the taxation of the earnings of multinational enterprises above a certain volume, and as a result, an action plan consisting of 15 items was established in September 2013 under the name of the Base Erosion and Profit Shifting Project (BEPS).

In this context; a two pillar (Pillar 1 and Pillar 1) solution has been reached in order to ensure fair and minimum level tax payments of multinational enterprises at locations in which they are carrying out activities and gaining income through making amendments on international taxation rules on October 8, 2021 by more than 130 jurisdictions representing more than 95% of the revenue.

The global minimum corporate tax application, also called Pillar 2, has entered into force in many countries as of 2024. In Türkiye, the first step has been taken regarding the regulations related to Local and Global Minimum Complementary Corporate Income Tax within the scope of the Bill of Law submitted to the Speaker's Office of the Turkish Grand National Assembly on July 16, 2024. After the adoption of the Bill of Law, it is expected that the relevant regulation will enter into force on the date of publication in order to be applied to income obtained in 2024 and subsequent taxation periods.

*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.