

Circular

16 September 2024

Circular No: 70

Subject: Amendments have been made to the Decree on disguised profit distribution through transfer pricing.

The following amendments were made in the Presidency Decree numbered 6923 published in the Official Gazette dated 14 September 2024 on “Decree Regarding Disguised Profit Distribution through Transfer Pricing”:

- Paragraph 12 of Article 19 of the relevant Decree stipulated that the members of the multinational enterprise group that fall within the scope of country-by-country reporting should fill out the ‘Notification Form for Country-by-Country Reporting’ and submit it electronically through the Internet Tax Office until the end of June each year.

With the Presidency Decree No. 8956, the phrase ‘June of each year’ in the above provision has been amended as ‘the sixth month following the end of the accounting period to be reported’.

Accordingly, taxpayers with a calendar year accounting period will submit the ‘Notification form for country-by-country reporting’ until the end of June of the calendar year following the accounting period to be reported, and taxpayers subject to special accounting period will submit the form until the end of the sixth month following the end of the accounting period to be reported.

- In accordance with the Presidency Decree numbered 161 (OG: 03.07.2024), Large Taxpayers Office has been closed as of September 1, 2024. The duties and authorities of the tax office carried out by the Large Taxpayers Office are carried out by the newly established ‘Large Taxpayers Tax Office Directorate’.

According to the Presidency Decree No. 8956, the references to this Directorate in the ‘Decree on Disguised Profit Distribution through Transfer Pricing’ are amended to ‘Istanbul Revenue Office Large Taxpayers Tax Office Directorate’.

The Decree has entered into force applicable as of September 1, 2024.

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.