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## Turkey sets effective date for Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information

Turkey signed the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information (MCAA or Agreement) on 21 April 2017. Turkey subsequently approved the MCAA on 31 December 2019.

According to the Agreement, the signatory countries agree to share the financial account information of the residents of the relevant country, which is collected from the financial institutions every year automatically without any request.

Turkey committed to share financial information regarding fiscal year (FY) 2019 with European Union (EU) Member States<sup>1</sup> at the end of FY2020. Turkey was required to adopt laws by the end of 2020 to automatically exchange tax information with EU Member States.

However, the EU Council, in a meeting on 22 February 2021, extended the deadline for Turkey to fully comply with the automatic exchange of information procedures. Specifically, Turkey was requested to activate its automatic information exchange process with EU Member States as of 30 June 2021, and this had to be ascertained by 31 May 2021.

Accordingly, on 1 June 2021, Turkey's Presidential Decree No. 4025 set the effective date of the Agreement as 3 February 2020 to be applied to taxation periods starting from 1 January 2019 at the earliest.

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## Endnotes

1. Excluding Austria, Belgium, France, Germany and the Netherlands.
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