

Circular

Circular No: 13

12 January 2024

Subject: Amounts, whose refund has not been realized through deduction, regarding deliveries subject to reduced rate should be included in VAT return of January.

In accordance with General Practices Communique on Value Added Tax, refund receivables of deliveries subject to reduced rate and whose refund has not been realized within current period is required to be included in deferred VAT amount again through being written on “VAT of which on account refund is not realized regarding transactions subject to reduced rate” numbered 106 generated for this purpose under “reduction” section within the period in which the refund request is made at the earliest and within declaration of January taxation period of following period at the latest.

In this framework, amounts for which a refund application is made within the year due to deliveries subject to reduction within 2023 calendar year but whose refund has not been realized through deduction should be **written on related line of VAT return of 2024 calendar year January taxation period.**

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.