

Circular

29 April 2024

Circular No: 30

Subject: Communique on VAT rate application in terms of food & beverage (catering) services has been published.

Explanations and regulations have been made on VAT rates which are required to be applied for enterprises rendering food & beverage services and products purchased/sold from third parties according to Serial No 51 General Communique on VAT published on Official Gazette dated April 27, 2024.

In this framework;

- Since enterprises such as restaurants, cafes and patisseries that provide food and beverage services are, in principle, service enterprises, VAT will be calculated at the rate of 10% (20% for alcoholic beverages) on the sale of food items manufactured in such places or supplied from third parties to customers for consumption in these places or at third-party places.
- All sales made by these enterprises through methods such as delivering to the address, pick-up and ordering by phone or online are of the same nature.
- On the other hand, sales of foodstuffs made by those who provide food and beverage services to their customers in areas where they can be served such as tables, seating, and counters, although they do not have a business license to open a business or work for food and beverage services, are included on line 24 of the list numbered (II) attached to the Cabinet Decree numbered 2007/13033.

Communique shall enter into force as of May 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.