

The background of the entire page is a photograph of the Taj Mahal in Agra, India. The central focus is the large, white, domed structure with intricate carvings and a central arched entrance. Two minarets are visible on either side. In the foreground, there is a long, narrow reflecting pool that mirrors the building. The sky is blue with some light clouds. The overall scene is captured from a low angle, making the monument appear grand and imposing.

BDO Denet Monthly Report

FINANCIAL DEVELOPMENTS IN THE LAST MONTH

- THE PERSONAL INCOME TAX RETURN PREPARATION GUIDELINE FOR 2023 HAS BEEN PUBLISHED
- TAX PROCEDURE LAW BULLETIN ON INFLATION ADJUSTMENT APPLICATION HAS BEEN PUBLISHED
- VARIOUS AMENDMENTS HAVE BEEN MADE ON THE DECISION NUMBERED 5973 REGULATING EXPORT SUPPORTS
- THE COMMUNIQUÉ INCLUDING IMPORTANT EXCEPTIONS REGARDING THE OBLIGATION TO DENOMINATE THE CONTRACT AMOUNTS IN TURKISH CURRENCY IN SECURITIES SALE CONTRACTS HAS BEEN PUBLISHED

February 2024 Financial Agenda

Dear Readers,

With the completion of 2023, valuation transactions, closing records, preparation of financial statements are among the priorities of all of us. However, this year, unlike other years, Inflation Accounting is at the top of our agenda. Our professionals and taxpayers spend a lot of time and effort in this period to complete inflation accounting transactions.

As the transactions are carried out, problems, or rather unclear issues, arise. The Tax Procedure Law Bulletin has been published by the Revenue Administration on 20/02/2024 in order to eliminate the doubts arising on Inflation Adjustment.

The primary issues that catch our attention in this bulletin have been the following explanations:

- On the average commercial loan interest rates to be used in inflation adjustment transactions of the balance sheet at the end of the 2023 accounting period,
- On the intangible assets, including those arising from finance leases, followed under "Rights" account are not within the scope of non-monetary assets for which an Unrealized Finance Costs (UFC) disaggregation is required,
- That the subsidiary securities and subsidiaries denominated in foreign currencies will be subject to restatement in the same way as associates,
- That the capital completion fund will be subject to inflation adjustment, but other capital advances will be recognized as monetary assets.

Another important development in February was the extension of the deadlines for the submission of Value Added Tax Declarations by those who are held responsible for making tax deductions and for the payment of taxes accrued on these declarations.

Accordingly; starting from the declarations to be submitted as of 01/02/2024, the deadlines for the submission of Value Added Tax Declarations and the payment of taxes accrued on these declarations by those who are held responsible for making tax deductions until the evening of the 21st day of the month following the taxation period and for paying until the evening of the 23rd day of the month in which they will submit the declaration, have been extended until the end of the 25th day of the month following the relevant taxation period.

Apart from our domestic fiscal agenda, there have also been important developments on the international tax agenda. In February, the hottest topic on the international tax agenda was the implementation of the Minimum Corporate Income Tax.

February 2024 Financial Agenda

According to the Globe rule developed as a result of the study carried out within the OECD, Multinational Enterprises with a consolidated group revenue exceeding EUR 750 million are expected to bear a minimum 15% corporate income tax burden.

This rule allows a multinational enterprise with consolidated annual revenue of more than €750 million to levy an additional tax on its earnings in the country where the parent enterprise is located if the effective tax burden paid by a group company in that country is less than 15%.

Many countries have made regulations on this issue or have brought the work to the final stage. In our country, legal arrangements are expected to be made in the coming period.

You can find the details of all these issues in our Bulletins and Announcements published in February.

Best regards,

İdris ŞENYURT

Partner, Tax

Sworn Financial Advisor

BDO İstanbul Office



04:17
February 6, 2023

We have never forgotten, nor will we.
We respectfully commemorate those
who lost their lives in the earthquake.



February 26 - March 3 Tax Week

The tax system, which is one of the important building blocks of economic development, is the guarantee of our future. The continuity of social welfare is only possible with tax-conscious individuals. With this awareness, it is the responsibility of all of us to spread the tax culture.

As BDO Türkiye, we celebrate the Tax Week of all our taxpayers, professionals and colleagues.

TAX



BULLETIN:
TAX 2024-030
02/02/2024

THE EXCHANGE RATES TO BE APPLIED IN THE VALUATION TO BE MADE AS OF 31/12/2023

Article 280 of the Tax Procedure Law states that foreign currencies (foreign currencies in cash and bank accounts) shall be valued at the exchange rate, if the foreign currency has no exchange rate, the exchange rate to be taken as basis for valuation shall be determined by the Ministry of Finance, and this provision is also valid for receivables and payables with or without promissory notes expressed in foreign currency.

Based on this provision, the Ministry of Finance has determined the exchange rates to be taken as basis for valuation as of the end of 2023 with the General Communiqué on Tax Procedure Law No. 559.

[Click here](#) to access the exchange rates attached to the General Communiqué on Tax Procedure Law No. 559

[You can review our Bulletin for the details.](#)



ANNOUNCEMENT:
TAX 2024-009
06/02/2024

THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF TÜRKİYE AND THE GOVERNMENT OF THE REPUBLIC OF KOREA ON THE AVOIDANCE OF DOUBLE TAXATION ON INCOME TAXES AND ON THE PREVENTION OF TAX EVASION AND AVOIDANCE OF TAX EVASION AND TAX AVOIDANCE AND ITS ANNEXED PROTOCOL HAVE BEEN RATIFIED

[Law No. 7494](#) approved the ratification of the "Agreement between the Government of the Republic of Türkiye and the Government of the Republic of Korea for the Avoidance of Double Taxation on Income Taxes and for the Prevention of Tax Evasion and Avoidance of Tax Evasion and Tax Avoidance" and its annex "Protocol" signed in Seoul on 22 October 2021 to revise the "Agreement between the Republic of Turkey and the Republic of Korea for the Avoidance of Double Taxation on Income Taxes and for Certain Other Matters" which entered into force on 25 March 1986 and is currently in force.

The relevant Agreement has not yet entered into force and will enter into force in accordance with Article 29 of the Agreement after it is approved by the President.

[You can review our Announcement for the details.](#)

TAX



ANNOUNCEMENT: THE DEADLINES FOR THE SUBMISSION AND PAYMENT OF VAT DECLARATIONS SUBMITTED AS RESPONSIBLE HAVE BEEN EXTENDED UNTIL A NEW DETERMINATION IS MADE
TAX 2024-010
13/02/2024

As it is known, with the Law No. 7491, published in the Official Gazette dated 28/12/2023, the date of submission of VAT declarations given as responsible had been changed to the 21st day of the month following the taxation period and the payment date was changed to the 23rd day.

With the Bulletin published on the website of the Revenue Administration on 10/02/2024, starting from the declarations to be submitted as of 01/02/2024, the deadlines for the submission of VAT Declarations submitted by those held responsible for making tax deductions and the for the payment of taxes accrued on these declarations have been extended until the end of the 25th day of the month following the relevant taxation period. This regulation will be applied until a new determination is made.

[Click here](#) to access Tax Procedure Law Bulletin No. 164.

[You can review our Announcement for the details.](#)



BULLETIN:
TAX 2024-032
14/02/2024

THE PROCEDURES AND PRINCIPLES REGARDING THE DEDUCTION OF VAT DECLARED AS RESPONSIBLE HAVE BEEN DETERMINED, THE SCOPE OF VAT DEDUCTION HAS BEEN EXPANDED, THE PARTIAL VAT DEDUCTION LIMIT HAS BEEN INCREASED TO THE INVOICE ISSUANCE LIMIT AND THE DURATION OF SOME VAT EXEMPTIONS HAS BEEN EXTENDED

With the VAT Communiqué Serial No.50, published in the Official Gazette dated February 10, 2024 and amending the VAT General Implementation Communiqué;

- Procedures and principles regarding the deduction of VAT paid by declaring as responsible have been determined.
- Other services provided to state economic organizations and economic state enterprises are included in the scope of withholding tax.
- The partial VAT withholding limit has been increased to the invoice issuance limit of the relevant year (TRY 6,900 for 2024).
- The starting date of the period for the calculation of the delay increase due to the deficiencies in the documents in the offset refund requests has been determined as the date of notification of the deficiency letter instead of the normal maturity date of the debt.
- The period changes regarding the temporary VAT exemptions extended from 31/12/2023 to 31/12/2028 have been included in the Communiqué.

TAX

With the Law No. 7491 and the amendments made to Articles 41 and 46 of the VAT Law, the declaration and payment dates of the withheld tax by those who are held responsible for withholding tax have been changed, and the examples related to these issues have been corrected in the Communiqué.

[Click here](#) for the Value Added Tax Communiqué Serial No. 50, which includes detailed explanations and examples.

You can review our [Bulletin for the details](#).



BULLETIN:
TAX 2024-033
16/02/2024

THE PERSONAL INCOME TAX RETURN PREPARATION GUIDELINE

The Personal Income Tax Return Preparation Guideline for 2023 has been published.

Please [click here](#) to access the guideline.

[Click here](#) for 2023 examples of the declaration status of some incomes obtained in 2023.

For the 2023 taxation of securities income and securities trading gains, [please click here](#).

You can review our [Bulletin for the details](#).



ANNOUNCEMENT: TAX PROCEDURE LAW BULLETIN ON INFLATION ADJUSTMENT APPLICATION HAS BEEN PUBLISHED
TAX 20234-011
20/02/2024

With Tax Procedure Law Bulletin No. 165, the average commercial loan interest rates to be used in inflation adjustment transactions have been determined and explanations have been made regarding some issues regarding the application.

[Click here](#) to access the bulletin.

[Click here](#) to access the explanatory information note.

You can review our [Announcement for the details](#).



BULLETIN:
TAX 2024-034
27/02/2024

THE INFLATION ADJUSTMENT BULLETIN HAS BEEN PUBLISHED

Tax Procedure Law Bulletin ("Bulletin") numbered 165 has been published by the Revenue Administration on 20/02/2024 in order to determine the average commercial loan interest rates to be used in correction transactions and to make explanations regarding some issues regarding the application.

TAX

In the repeated Article 298/A of TPL, it is stated that the amounts found after deducting the Non-Real Financing Cost (ROFM) transferred to the cost price of inventories, goods sold and tangible fixed assets and the purchase price of financial fixed assets will be subject to adjustment. Although it is clear that ROFM calculation will not be made for intangible fixed assets since intangible fixed assets are not listed separately in the article, there are some discussions on this issue in practice.

You can review our [Bulletin for the details](#).



BULLETIN:
TAX 2024-035
28/02/2024

THE COMMUNIQUÉ ON IMPORTANT EXCEPTIONS TO THE OBLIGATION TO DENOMINATE THE CONTRACT AMOUNT IN TURKISH CURRENCY IN SECURITIES SALE CONTRACTS HAS BEEN PUBLISHED

As stated in our Bulletin No. 2022/45, with [the Communiqué on Decree No. 32 on the Protection of the Value of Turkish Currency](#), it was possible to determine the contract price and other payment obligations arising from these contracts in foreign currency or indexed to foreign currency in securities sales contracts other than vehicle sales contracts to be concluded between Turkish residents, while it was made obligatory to fulfill the payment obligations related to these contracts in Turkish currency.

This time, with [the Communiqué \(Communiqué No: 2024-32/69\) Amending the Communiqué \(Communiqué No: 2024-32/69\) on the Decree No: 32 on the Protection of the Value of the Turkish Currency \(Communiqué No: 2008-32/34\)](#) published in the Official Gazette dated February 28, 2024 and numbered 32474, some exceptions were introduced to the obligation to make the payment of securities sales contracts in Turkish currency.

With the regulation;

- Payments related to the sale of securities for exports to be realized through Foreign Trade Capital Companies (FTSC) or Sectoral Foreign Trade Companies (SFTC) based on an intermediated export contract,
- Payments related to the delivery of goods to which transit and customs bonded warehouse regimes, free zone and temporary storage provisions of the Customs Law are applied,
- Payments subject to contracts for the sale of movable goods realized within the scope of foreign trade transactions (such as exports, imports) between companies operating in the free zone and a company resident in Türkiye

It has become possible to do so in foreign currency.

You can review our [Bulletin for the details](#).

PEOPLE
COMMUNICATION
CLIENT NEEDS
VALUE
COMMITMENT

Labor Law and Social Security



BULLETIN:
LABOR LAW AND
SOCIAL SECURITY
2024-007
05/02/2024

THE LAW AMENDING THE UNEMPLOYMENT INSURANCE LAW AND SOME OTHER LAWS

With the “Law No. 7495 on Amendments to the Unemployment Insurance Law and Certain Laws”, published in the Official Gazette dated 03/02/2024 and numbered 32449, the conditions for short-time working allowance were changed, the insurance premium incentive numbered 6111 in the Provisional Article 10 of the Law No. 4447 was extended until 31/12/2025 and the minimum wage support to be applied for 2024 was determined.

- Additional Article 2 of Law No. 4447 regulates the conditions for the short-time working allowance applied for periods not exceeding three months in case of a short-term reduction or cessation of weekly working hours in the workplace, determines the conditions for the insured to qualify and limits the payment details.
- Within the scope of the provisional Article 10 of the Law No. 4447, the insurance premium incentive numbered 6111 will continue to be applied until 01/12/2025.
- In 2024, the amount to be calculated over TRY 23.33 per day for insured persons whose daily earnings based on the premium in the same month of the previous year were reported as TRY 671 or less and for insured persons reported from the workplaces included in the scope of this law for the first time in 2024, is covered by the Unemployment Insurance Fund by deducting from the insurance premiums to be paid by the employers; however, this amount is determined as TRY 1,341 for private sector employers subject to collective labor agreements.

[Click here to access the Law.](#)

You can review our Bulletin for the details.



BULLETIN:
LABOR LAW AND
SOCIAL SECURITY
2024-008
20/02/2024

THE COMMUNIQUÉ ON THE APPROXIMATE UNIT COSTS OF BUILDINGS FOR THE YEAR 2024 TO BE USED IN THE CALCULATION OF ARCHITECTURAL AND ENGINEERING SERVICE FEES

With the “Communiqué on Building Approximate Unit Costs for 2024 to be Used in the Calculation of Architecture and Engineering Service Fees”, published in the Official Gazette dated 20/02/2024 and numbered 32466 by the Ministry of Environment, Urbanization and Climate Change, the building approximate unit costs for 2024 have been redetermined.

For the buildings whose class or group has been changed or removed from the communiqué during the revision of the communiqué, for the architectural and engineering services whose building class and group were determined according to the communiqués before 2024; the calculation will be made based on the amount corresponding to the communiqué of 2024 without changing the building class and group in the communiqué of the year in which it was determined.

In case of hesitation while determining the classes and groups in the Communiqué during the construction phase, the approximate cost of the construction of that building should be calculated by applying the Unit Prices of the Ministry of Environment, Urbanization and Climate Change to the quantities to be prepared according to the project of the building.

[Click here to access the the Communiqué.](#)

You can review our Bulletin for the details.

Incentives and Government Supports



**BULLETIN:
INCENTIVES AND
GOVERNMENT
SUPPORTS 2024-002
09/02/2024**

A COST-EFFECTIVE FINANCING FOR EXPORTERS

In the statement made by the Turkish Exporters Assembly dated 08/02/2024, it was stated that with the protocol signed between the Turkish Exporters Assembly (TIM) and Ziraat Bank, the Full Support to Export Credit Package for exporters who are members of the Association has been put into operation and exporter companies can benefit from cost-effective export credits up to a maximum of 5 million USD or 150 million TRY.

The Export Full Support Credit Package offers revolving or installment credit options depending on the company's preference.

In the revolving credit option, the maturity is 12 months and can be renewed a maximum of 2 times without exceeding a total maturity of 36 months if the export proceeds are directed to Ziraat Bank up to the minimum amount of each disbursement within the limit and the export commitment amount arising.

In the installment loan option, the maturity period will be maximum 24 months. Within the scope of the package, only installment loans can be extended with KGF guarantee.

[You can review our Bulletin for the details.](#)



**BULLETIN:
INCENTIVES AND
GOVERNMENT
SUPPORTS 2024-003
26/02/2024**

AMENDMENTS MADE TO THE DECISION NUMBERED 5973 REGULATING EXPORT SUPPORTS

With the Decision Amending the Decision on Export Supports published in the Official Gazette dated February 23, 2024 and numbered 8191:

- The scope of exhibition support has been expanded and the definition of seasonal exhibition has been established. A seasonal fair refers to only two versions of fairs with the same name organized in the same country and for the same sector within the same calendar year. The option of evaluating seasonal fair participation as a single fair can only be used 3 times per year.
- The name of the support for the purchase of foreign companies and trademarks of foreign companies has been changed as "Company and trademark purchase support".
- The design and product development project support has been abolished and replaced with the Green agreement compliance project support. Within the scope of this support; consultancy service expenses received by companies within the scope of the green agreement compliance project can be supported at a rate of 50% for 5 years and up to TRY 10.000.000 in total.
- Companies benefiting from designer company and design office support cannot benefit from foreign trademark registration, market entry project preparation, foreign fairs, unit rent, promotion, design support for companies operating in the ship and yacht sector, TURQUALITY®/brand and UR-GE project support.

[You can review our Bulletin for the details.](#)

Featured News and Publications of the Month



Our Tax Department Partner Emrah Akin discussed "CBRT Inflation Report and the Impact of Indirect Taxes on Inflation" on Bloomberg HT on 09/02/2024.



Our Tax Department Partner Emrah Akin discussed "35th Tax Week and Turkish Tax System" on TRT Radio 1 on 26/02/2024.



On Thursday, February 22, 2024, we held our training on "Exempt Registration Issues in Tax Procedures" with our Tax Department partner Haluk Erdem. Then we completed our "CIT Declaration Filing, Discount, Exception, Unallowable Expenses" training with our Tax Department Senior Manager Selahattin Uçunoğlu.

Featured News and Publications of the Month



The latest issue of BDO Indirect Tax News has been published.

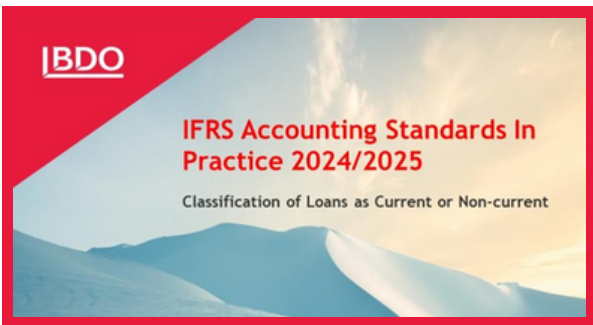
[Click here](#) to read the latest developments in tax policies in various countries.



February issue of BDO Global Corporate Income Tax Bulletin has been published.

Countries continue to implement global minimum tax rules under Pillar Two. United Arab Emirates,

[Click here](#) to access the BDO February 2024 Corporate Income Tax Bulletin for the latest developments in Germany's Federal Fiscal Court, Belgium, Ecuador and the Philippines, the list of countries whose Corporate Income Tax rates will change in 2024 and more.



BDO has published Applied IFRS Accounting Standards - Classification of Loans as Current or Non-Current (2024/2025).

[Click here](#) to access the guideline.

Published Articles & Columns

ERDOĞAN SAĞLAM Partner - Tax Sworn Financial Advisor BDO İstanbul Office	T24	The newly introduced "income tax exemption on overseas dividends", which is also valid for 2023	Read now
	T24	Tax tariff for wage earners unconstitutional (is it?)	Read now
	T24	For which wage income earned in 2023 will an annual income tax return be submitted?	Read now
	T24	It makes no sense for a self-employed person to include the passenger car he uses at work in his business!	Read now
	T24	How should we correct accounting errors identified during inflation adjustment?	Read now
	T24	How will the unamortized portion of non-real financial expenses be deducted from the tax base if the amortization period is less than five years?	Read now
	T24	Consequences of recognizing capital increase advances as monetary item	Read now
ERDAL GÜLEÇ Partner - Tax Sworn Financial Advisor BDO İstanbul Office	LinkedIn	Draft inflation adjustment circular is open for public comment on social media (!)	Read now
Mustafa KAYHAN Partner - Law BDO İstanbul Office	Tax World	Whether the Court Can Decide on Full or Partial Demerger in the Case of Dissolution of Joint Stock Companies for Just Cause	Read now





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