

A close-up photograph of a butterfly with iridescent blue and black wings, featuring a row of red and black eyespots on the hindwing. The butterfly is perched on a cluster of bright orange flowers. The background is a soft-focus green and blue.

BDO Denet **Monthly Report**

FINANCIAL DEVELOPMENTS IN THE LAST MONTH

- **COLLECTION GENERAL COMMUNIQUÉ (SERIES: B ITEM NO: 19) FOR REFUND OF ADMINISTRATIVE FINES IMPOSED AND COLLECTED WITHIN THE SCOPE OF COVID-19 ADMINISTRATIVE SANCTIONS HAS BEEN PUBLISHED**
- **CERTAIN NOTIFICATION PERIODS OF TAXPAYERS IN PLACES WHERE FORCE MAJEURE HAS ENDED HAVE BEEN EXTENDED**
- **THE FIRST INSTALLMENT PAYMENT PERIOD OF ADDITIONAL MOTOR VEHICLE TAX HAS BEEN EXTENDED UNTIL SEPTEMBER 6, 2023**
- **REDISCOUNT RATE IN TAX TRANSACTIONS INCREASED FROM 16.75% TO 26.75%**

August 2023 Financial Agenda

Dear Readers,

With the month of September, we are preparing to say farewell to summer. School bells will ring on Monday, September 11, as a sign of autumn's arrival, and the new academic year will begin with excitement.

In Türkiye, certain expenses are allowed to be deducted from personal income tax base on the return, both to encourage taxpayers to file tax return and to take into account certain social considerations, which means paying less tax in practice. Accordingly, education and health expenses made for the taxpayers themselves, their spouse, and minor children can be subject to deduction from personal income tax base, if it does not exceed 10% of the declared income, if it is made in Türkiye, and if it is certified by documents to be obtained from real or legal persons with personal or corporate income tax liability.

As true to its name, the expenses that can be subject to deduction must be for education and health purposes. Examples of educational expenses are the payments made to private educational institutions, kindergartens and nurseries for educational purposes, educational course fees, school service fees, book and stationery expenses, amounts paid if students stay in private dormitories and hostels. Fees paid for sports courses, toys, musical instruments, CDs for non-educational purposes, education expenses paid in foreign countries, and newspaper/magazine purchases are not within the scope.

Another important issue in September is the end of judicial recess. Pursuant to Law No. 6494 on Amending Certain Laws Regarding Judicial Services, which was published in Official Gazette dated July 7, 2013 and entered into force, the judicial recess, which started on July 20, 2023 in Judicial and Administrative Judiciary, ended on August 31, 2023. The new judicial year started on September 1. I hope the new judicial year will be beneficial for the entire judicial community and practitioners.

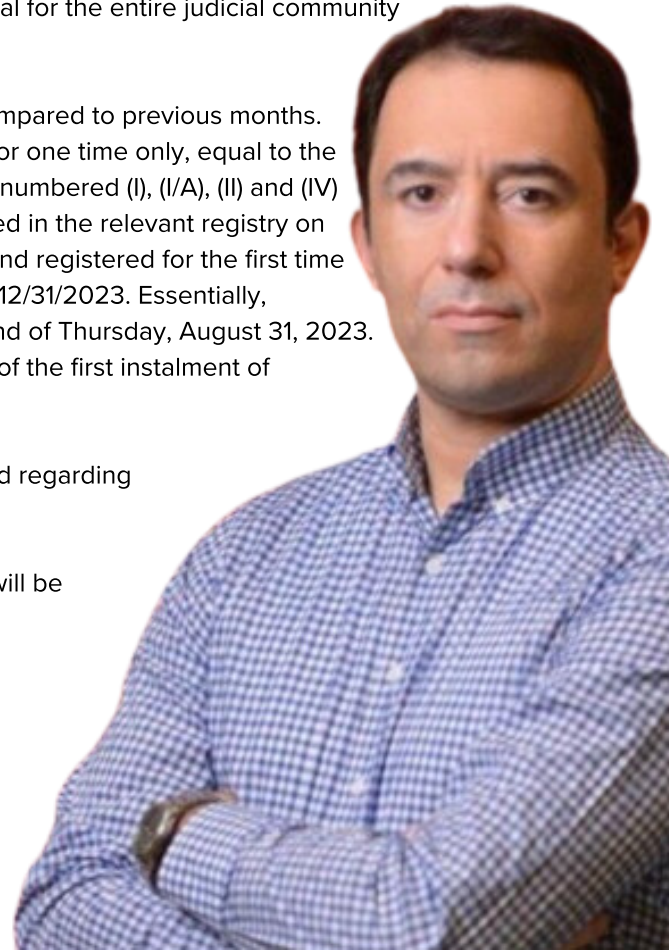
The last month of August was less hectic in terms of financial agenda compared to previous months. With Law no. 7456, additional motor vehicles tax (MTV) was introduced for one time only, equal to the accrued MTV for 2023 for the vehicles subject to tax according to tariffs numbered (I), (I/A), (II) and (IV) in articles 5, 6, and provisional article 8 of MTV Law no. 197 and registered in the relevant registry on the publication date of the said Law, and vehicles that will be recorded and registered for the first time in the relevant registries from the publication date of the same Law until 12/31/2023. Essentially, the first installment of additional MTV was supposed to be paid by the end of Thursday, August 31, 2023. However, Ministry of Treasury and Finance extended payment deadline of the first instalment of additional MTV until the end of Wednesday, September 6, 2023.

You can find the details of the announcements and bulletins we prepared regarding important financial developments in August in this issue.

With these feelings and thoughts, we hope that our September bulletin will be useful to all our readers and colleagues.

ENDER İNELİ

Partner - Tax
Sworn Financial Advisor
BDO İzmir Office



Training



ARE YOU READY FOR INFLATION ADJUSTMENT?

Inflation adjustment is starting to be applied again after 19 years!

As BDO Türkiye, we prepare your company for inflation adjustment with our extensive experience and knowledge in inflation adjustment. For this purpose, we offer two different options: “training open to general participation” and “training specific to your company”.

For detailed information about our inflation adjustment trainings within the scope of Tax Procedure Law and registration, please click [here](#).

Tax



ANNOUNCEMENT: DRAFT COMMUNIQUE SERIES NO.47 ON AMENDING VAT GENERAL APPLICATION COMMUNIQUE HAS BEEN PREPARED
TAX 2023-051
08/08/2023

Draft Communiqué Series No.47 on Amending Value Added Tax (VAT) General Application Communiqué has been prepared by Turkish Revenue Administration and has been opened to public's opinions and suggestions until the close of business day on 11/08/2023.

In the Draft, explanations are made on the following issues.

- VAT application in the sale of cards, passwords, and codes,
- Exemption for the construction of houses to be donated to disaster victims,
- Exemption application for sales of immovables that are in the institutions' assets before 15/07/2023,
- Repealing paragraph 2 of section (III/B-2.2) of VAT General Application Communiqué,
- Works started before the effective date of VAT General Application Communiqué regarding the exemptions, brought to project application and are still ongoing.

Click for the full [announcement](#)



ANNOUNCEMENT: COLLECTION GENERAL COMMUNIQUE (SERIES: B ITEM NO: 19) FOR REFUND OF ADMINISTRATIVE FINES IMPOSED AND COLLECTED WITHIN THE SCOPE OF COVID-19 ADMINISTRATIVE SANCTIONS HAS BEEN PUBLISHED
TAX 2023-052
08/08/2023

Provisional article 4 of Law No. 7420 stipulates that to prevent the spread of COVID-19, administrative fines shall not be imposed for the acts committed between 11/03/2020, when this disease was first observed in Türkiye, and 09/11/2022, when provisional article 4 entered into force, but collected administrative fines shall not be refunded.

However, the phrase "collected administrative fines shall not be refunded" in the last sentence of provisional article 4/1 of Law No. 7420 was cancelled by Constitutional Court decree published in Official Gazette dated 24/05/2023 and numbered 32200.

After Constitutional Court decree, to ensure the refund of payments made before 09/11/2022 in return for the administrative fines, according to article 24 of the Law dated 14/07/2023 and numbered 7456, administrative fines within the scope of provisional article 4 of Law No. 7420 and collected before 09/11/2022 will be refunded in the event of application to the administrative unit making the collection until 31/12/2024 (including this date).

Collection General Communiqué (Series: B Item No: 19), which includes procedures and principles for refund of administrative fines, has been published in Official Gazette dated 05/08/2023 and numbered 32270, and entered into force.

Click for the full [announcement](#)

Tax



ANNOUNCEMENT: GENERAL COMMUNIQUÉ OF LAW NO. 7440 ON RESTRUCTURING CERTAIN RECEIVABLES (SERIES NO.4) HAS BEEN PUBLISHED IN OFFICIAL GAZETTE
TAX 2023-053
09/08/2023

General Communiqué of Law No. 7440 (Series No.4) on restructuring certain receivables has been published in Official Gazette dated 09/08/2023.

Please click [here](#) for the relevant Communiqué.

Click for the full [announcement](#)



ANNOUNCEMENT: ANNOUNCEMENT ON EXTENDING CERTAIN NOTIFICATION PERIODS FOR TAXPAYERS AT LOCATIONS WHERE THE FORCE MAJEURE HAS ENDED
TAX 2023-054
16/08/2023

For Adana, Diyarbakır, Elazığ, Gaziantep (excluding İslahiye and Nurdağı districts), Kilis, Osmaniye and Şanlıurfa provinces and Gürün district of Sivas province, which have been affected by the earthquakes on 06/02/2023 in Kahramanmaraş province, deadlines which were previously determined as Tuesday, 15/08/2023 and Thursday, 31/08/2023 for the following have been extended until the end of Monday, 11/09/2023.

- Submission period of BA-BS notifications for the months 2023/1, 2, 3, 4, 5, 6, 7,
- For the taxpayers who prefer monthly submission, which must be prepared and signed by the same date, and who prefer to submit on the basis of 2022/11, 12 and 2023/1, 2, 3, 4, 5 and provisional tax periods, preparation and signing period of e-Ledgers for 2022/10, 11, 12, 2023/1, 2, 3 and 2023/4, 5, 6 periods and submission period of “Electronic Ledger Certificates”, which must be submitted to Turkish Revenue Administration Information Processing System

You can review our Announcement for the details.

Click for the full [announcement](#)



ANNOUNCEMENT: DATAMATRIX CODE STANDARD GUIDELINE HAS BEEN PUBLISHED
TAX 2023-055
17/08/2023

Data Matrix Standard Guideline, which includes explanations regarding the presence of “Data Matrix” in documents issued in e-Invoice, e-Archive Invoice, e-Waybill, e-Self Employment Receipt, e-Producer Receipt, e-Insurance Commission Expense Document, e-Foreign Exchange and Precious Metals Purchase and Sale Document and e-Addition applications, has been published.

As determined in the Guideline, “Data Matrix” must be included in electronic documents to be issued as of 01/09/2023.

Click for the full [announcement](#)

Tax



ANNOUNCEMENT: TAX PROCEDURE LAW CIRCULAR NO. 160 HAS BEEN PUBLISHED ON TAX CERTIFICATE LIABILITY OF TAXPAYERS WHO MUST SUBMIT THEIR PERSONAL AND CORPORATE INCOME TAX RETURNS AFTER THE END OF THE FORCE MAJEURE PERIOD
TAX 2023-056
23/08/2023

Tax Procedure Law Circular No. 160 has been published regarding preparation of tax certificate of taxpayers, who have been considered within the scope of force majeure in pursuant to article 13 of Tax Procedure Law and for whom the submission period of personal/corporate income tax returns have been extended, by Turkish Revenue Administration according to the information in the returns submitted until the last day of extended return submission period and printing them from internet tax office account by the taxpayers within 1 month.

Click for the full [announcement](#)



ANNOUNCEMENT: THE FIRST INSTALLMENT PAYMENT PERIOD OF ADDITIONAL MOTOR VEHICLE TAX (MTV) HAS BEEN EXTENDED UNTIL SEPTEMBER 6, 2023
TAX 2023-057
29/08/2023

As per the Announcement of Turkish Revenue Administration, the payment period for the first installment of additional MTV, which must be paid until the end of Thursday, August 31, 2023 in accordance with the provision of Article 1/5 of Law No. 7456, has been extended until the end of Wednesday, September 6, 2023.

Click for the full [announcement](#)



BULLETIN:
TAX 2023-085
01/09/2023

REDISCOUNT RATE IN TAX TRANSACTIONS INCREASED FROM 16.75% TO 26.75%

With Communiqué on Determining Interest Rates to be Applied in Rediscount and Advance Transactions published in Official Gazette dated 01/09/2023 and numbered 32296, Central Bank of the Republic of Turkey redetermined discount interest rate and advance interest rate, and this amendment changed the rediscount rate to be valid in tax transactions.

With the Communiqué,

- Discount interest rate to be applied to rediscount transactions to be made against promissory notes with a maximum maturity of 3 months was increased from 15.75% to 25.75% annually.
- Interest rate to be applied in advance transactions was increased from 16.75% to 26.75% annually.

You can review our Bulletin for the details.

Click for the full [announcement](#)

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Labor Law and Social Security



BULLETIN:
**LABOR LAW AND
SOCIAL SECURITY**
2023-061
11/08/2023

COMMUNIQUÉ ON AMENDING THE COMMUNIQUÉ ON WORKPLACE HAZARD CLASSES RELATED TO OCCUPATIONAL HEALTH AND SAFETY

With [Communique on Amending the Communique on Workplace Hazard Classes Related to Occupational Health and Safety](#) published by Ministry of Labor and Social Security in Official Gazette dated 11/08/2023 and numbered 32276, amendment, addition, and repeal have been made in certain business lines included in workplace hazard classes list in Annex-1 of Communique on Workplace Hazard Classes Related to Occupational Health and Safety.

Click for the full [bulletin](#)



BULLETIN:
**LABOR LAW AND
SOCIAL SECURITY**
2023-063
18/08/2023

SOCIAL SECURITY INSTITUTION (SSI) ANNOUNCEMENT ON POSTPONING THE SUBMISSION DATE OF WITHHOLDING TAX RETURN AND PREMIUM SERVICE RETURN / MONTHLY PREMIUM AND SERVICE DOCUMENTS FOR CERTAIN PROVINCES AND DISTRICTS

[Announcement on "Postponing the Submission Date of Withholding Tax Return and Premium Service Return / Monthly Premium and Service Documents"](#) was published by Social Security Institution General Directorate of Insurance Premiums on 18/08/2023. If withholding tax returns and premium service returns/monthly premium and service documents regarding June 2023 are submitted until 22/08/2023, and relevant premium debts are paid until 31/08/2023 (including this date) by private and public workplace employers who employ insureds and operate in Adana, Diyarbakir, Kilis, Osmaniye, Elâzığ, Şanlıurfa provinces and other districts except for İslâhiye and Nurdağı districts of Gaziantep province, and Gürün district of Sivas province, such documents/returns will be deemed to have been submitted within the legal period and the premiums will be deemed to have been paid within the legal term, and administrative fines and delay fines/late fees will not be applied.

You can review our Bulletin for the details.

Click for the full [bulletin](#)



BULLETIN:
**LABOR LAW AND
SOCIAL SECURITY**
2023-064
24/08/2023

SUPPORT FOR QUALIFIED PERSONNEL IN INDUSTRY

[Support Program for Qualified Personnel in Industry](#), developed by Small and Medium Industry Development Organization (KOSGEB), is a "General Support Program" introduced to increase quality and efficient production and has entered into force on 24/03/2023. This program, which was previously carried out under the name of Support for Qualified Personnel, had been reevaluated as Support for Qualified Personnel in Industry.

The program has been renewed as "Support for Qualified Personnel in Industry" in 2023, and the upper limit of the support has been updated as TRY 100,000. As for the companies with R&D centers and operating in Techno Parks, positive discrimination was made, and the upper limit of support was increased from TRY 75,000 to TRY 150,000.

You can review our Bulletin for the details of "Support for Qualified Personnel in Industry".

Click for the full [bulletin](#)

Labor Law and Social Security



**LABOR LAW AND
SOCIAL SECURITY**
2023-065
24/08/2023

WITHIN THE SCOPE OF EMPLOYMENT SUPPORT PROJECT FOR SYRIANS UNDER TEMPORARY PROTECTION, QUOTAS WERE ALLOCATED TO TURKISH EMPLOYMENT AGENCY (İŞKUR) SERVICE CENTERS FOR APPLIED TRAINING PROGRAMS (UEP)

It has been decided by the European Union to provide funding support for the Syrian refugees in Turkey, and accordingly, "ISDEP-II Project for Supporting Transition to the Labor Market" has been established to be carried out under the EU Facility for Refugees in Turkey (FRiT). In cooperation with Ministry of Family, Labor, and Social Services, İŞKUR, and the World Bank, the Employment Support Project for Syrians Under Temporary Protection has been established and the Applied Training Program has been implemented in order to increase the employment of Syrian refugees of working age and prevent unregistered work.

You can review our Bulletin for the details.

Click for the full [bulletin](#)



**BULLETIN:
LABOR LAW AND
SOCIAL SECURITY**
2023-066
25/08/2023

COMMUNiqué ON APPROXIMATE UNIT COSTS OF CONSTRUCTION FOR 2023/2 TO BE USED IN THE CALCULATION OF ARCHITECTURAL AND ENGINEERING SERVICE FEES

With Communiqué on Approximate Unit Costs of Construction for 2023/2 to be Used in the Calculation of Architectural and Engineering Service Fees, published by Ministry of Environment, Urbanization and Climate Change in Official Gazette dated 12/08/2023 and numbered 32277, approximate unit costs of construction for 2023/2 have been redetermined.

Approximate Unit Costs of Construction for 2023/2, which are important in Minimum Labor calculations and will be used in calculation of architectural and engineering service fees, are explained in the Communiqué, by taking into account the class of construction based on architectural services, including general expenses (15%) and contractor profit (10%), excluding VAT.

You can review our Bulletin for the details.

Click for the full [bulletin](#)



**BULLETIN:
LABOR LAW AND
SOCIAL SECURITY**
2023-067
25/08/2023

SOCIAL SECURITY INSTITUTION'S GENERAL LETTER ON CONSTRUCTION UNIT COSTS

Social Security Institution General Directorate of Insurance Premiums has published a General Letter on "Construction Unit Costs" dated 23/08/2023 regarding the issue of which costs will be taken as basis as of 01/07/2023 about the minimum labor investigation process for private construction workplaces.

Accordingly, provided that in calculating cost of construction completed in the year it started, the unit cost determined for that year is taken as basis,

- in investigation process for private construction works started in 2023 and completed before 01/07/2023, cost prices in Communiqué on Approximate Unit Costs of Construction for 2023 published in Official Gazette dated 11/02/2023 and numbered 32101,
- in investigation process for private construction works started in 2023 and completed on or after 01/07/2023, cost prices in Communiqué on Approximate Unit Costs of Construction for 2023/2 published in Official Gazette dated 12/08/2023 and numbered 32277

should be taken as basis.

You can review our Bulletin for the details.

Click for the full [bulletin](#)

Featured News and Publications of the Month



In this edition of BDO M&A Horizons, our M&A partners across the world analyze recent deal activity and trends and look ahead at what we can expect for the rest of the year.

The data analysis shows that whilst M&A activity is still high, it declined in the first half of the year back to pre-COVID levels. And once again, the most noticeable aspect in the first six months was the prominence of private equity investments with nearly 38% of the total deal activity.

[Click here to read!](#)



You can read the latest articles covering UK VAT recovery on deal costs, Germany's proposed legislation to implement global minimum tax, and DAC 7 implementation and other changes made to tax law in Spain, with insights from specialists across BDO.

[Click here to read!](#)



The EU has formally adopted a new EU-US Data Privacy Framework on personal data sharing. You can read what your company needs to know here.

[Click here to read!](#)

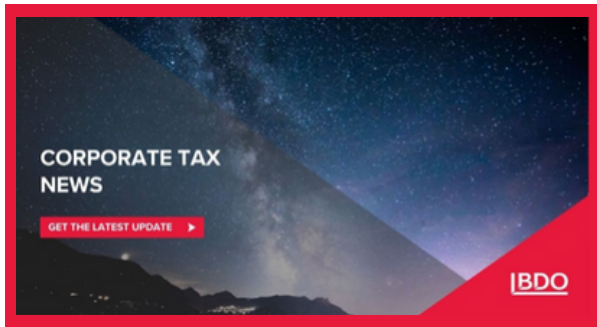


Chris Morgan, founder of tech firm ITSX, has partnered with BDO UK to scale up his business sustainably and support ITSX with its finance function.

Discover how ITSX benefited from tailored solutions and why they chose BDO as their trusted Advisory partner.

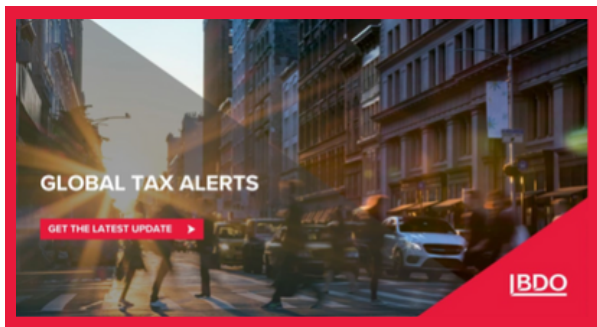
[Click here to watch!](#)

Featured News and Publications of the Month



Legislative activity is ramping up in the EU, as several member states release draft laws to implement the minimum taxation directive. Bermuda is taking steps to shed its status as an established no corporate tax jurisdiction by considering introduction of a corporate tax regime in line with global minimum tax rules. Meanwhile, Uganda has introduced Digital Service Tax (DST) and Canada is consulting on revised DST legislation. Check out these insights and more in the August issue of BDO Corporate Tax News.

[Click here to read!](#)



In this edition of Global Tax Alerts, read the tribunal decision in India regarding withholding tax, key changes to the R&D claim process in the UK, and indirect tax reform in Brazil.

[Click here to read!](#)



In the latest edition of Global Employer Services News, read recent developments affecting international assignees in Canada, India, and the United Kingdom.

[Click here to read!](#)

Featured News and Publications of the Month



CANLI YAYIN

KDV İade Sürecinde Yaşanan Sorunlar ve Çözüm Önerileri

24 Ağustos Perşembe
16:10
EKOTÜRK TV

Emrah Akın
Partner/Vergi
BDO İstanbul Ofisi

BDO

Our Tax Department Partner Emrah Akın evaluated the subject of “Problems in VAT Return Process and Solution Suggestions” on Ekotürk TV Live Broadcast on August 24, 2023.

[Click here to watch!](#)



CANLI YAYIN

Hazine ve Maliye Bakanlığı'nın Hızlandırdığı Tahsilat Çalışmaları

28 Ağustos Pazartesi
12:05
Bloomberg

Emrah Akın
Partner/Vergi
BDO İstanbul Ofisi

BDO

Our Tax Department Partner Emrah Akın evaluated the subject of “Collection Studies Accelerated by Ministry of Treasury and Finance” on Bloomberg HT Live Broadcast on August 28, 2023.

[Click here to watch!](#)

Published Articles & Columns

ERDOĞAN SAĞLAM

Partner - Tax
Sworn Financial Advisor
BDO İstanbul Office

- T24 6 questions, 6 answers: What will happen to those who do not make the first payments in debt restructuring and tax base increase?
- T24 When will the second installment of the additional tax be paid?
- T24 My views on reducing the VAT refund process to 10 days

ERDAL GÜLEÇ

Partner - Tax
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- Linkedin Are additional benefits (premiums) provided to currency protected deposit accounts by banks included in currency protected deposit exemption?





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