

Asset Peace Application Period for Bringing the Assets Located Abroad to the National Economy and Registration of Informal Assets in Legal Books Has Been Extended for 6 Months

With the Presidential Decision No. 4196 published in the Official Gazette dated 30.06.2021, the periods in the first, second and fifth paragraphs of the Provisional Article 93 of the Income Tax Law were extended by 6 months from the expiry date. Thus, the duration of the application is extended from 30.06.2021 to 31.12.2021 (including this date) , which provides following opportunities:

- ✚ Freely saving money, gold, foreign currency, securities, and other capital market instruments abroad by notifying the bank or intermediary institution in Turkey
- ✚ Recording of the mentioned assets and immovables owned by income or corporate taxpayers and located in Turkey but not included in the legal book

The President has the right to extend this period for another 6 months.

We share the details of the application on the subject, together with the time extension, below.

1. NOTIFICATION OF ASSETS ABROAD TO BANKS OR INTERMEDIARY INSTITUTIONS IN TURKEY

In order to save money, gold, foreign exchange, securities, and other capital market instruments abroad, the deadline for real and legal persons to notify the bank or intermediary institution in Turkey regarding these assets has been updated as 31.12.2021. No tax is payable on the declared assets.

Taxpayers who keep books in accordance with the Tax Procedure Law (TPL) will be able to include their assets brought to Turkey within the scope of this regulation without considering it in the determination of the period income and withdraw it from the enterprise without considering it in the determination of the taxable income and distributable profit for the corporations.

2. CLOSING A LOAN OR CAPITAL ADVANCE WITH ASSETS FROM ABROAD

The application period for the above-mentioned assets to be used in closing the loans used from banks or financial institutions abroad and recorded in the legal books as of 17.11.2020 has been extended until 31.12.2021. In this case, these provisions can be benefitted for assets used to pay the debt without being brought to Turkey, provided that the relevant loans or advances are deducted from the book records.

3. REGISTERING UNREGISTERED ASSETS IN THE LEGAL BOOKS

The period of application for recording the above-mentioned assets and immovables not included in the legal book records and owned by income and corporate taxpayers to the legal books, by being declared to the tax offices without considering these amounts in the determination of the period earnings, has been extended until 31.12.2021.

These assets may be withdrawn from the business without being taken into account in the determination of taxable income and distributable income for corporations. In case the immovables declared to the tax office are registered as capital in kind, this opportunity can be benefitted from, provided that the

capital increase decision is taken as of the declaration date and the said decision is registered in the trade registry until the end of the 10th month following the declaration.

You may reach the Presidential Decree No. 4196 via this [link](#).

Best Regards,