

No : 2022-13

Date : February 5th, 2022

Subject : **Monthly Financial/Tax Bulletin (January 2022)**

Find out latest developments on tax regulation, keep updated on regulatory changes and their effects on your business in our tax bulletins. You can find the important financial news of last month briefly.

We are glad to share those summaries with our clients and network.

We entered the new year very quickly in terms of legislation. As Taxia experts, we kept up with this pace and prepared a full newsletter. As a result of very productive and comprehensive searches, we are here with the second half of January 2022 bulletin.

Let's briefly start with the headings and then examine the details. We will share information about Turkish economy in general, and the latest figures in labor, inflation, growth, main tax developments, customs and foreign trade, social security obligations, trade legislations, banking and financial issues, postponed obligations, R&D and incentives below.

A. Economy and Public Budget

The Law on Amending the Tax Procedure Law and the Corporate Tax Law No. 7352, which includes the postponement of inflation adjustment for 2021, was approved by the General Assembly of the Assembly on January 20, 2021 and entered into force after being published in the Official Gazette dated January 29, 2022.

- Inflation accounting has been postponed to 2023.
- Corporate tax exemption has been introduced for corporate taxpayers who convert foreign currencies and gold balances in their deposit and participation accounts into Turkish lira in terms of foreign exchange difference and interest income.

The practice of sending YMM reports electronically is becoming widespread.

- Within the framework of the General Communiqué on Electronic Submission of Certified Public Accountant Certification Reports, voluntary submission of the Special Consumption Tax Certification Reports to be submitted by certified public accountants as of 24/01/ over the internet tax office system, as of 2022 and 4/4/2022. In this article, there are only explanations about sending electronically over the internet tax office system.

A Guide on Motor Vehicle Tax (MTV) and Traffic Fines has been published.

- The guide contains valuable information and examples that should be evaluated by all companies that have an intermediary or have a car pool in their company.

The limits determined for the cash refund of the taxes deducted through withholding in the General Communiqué on Income Tax Serial No. 252 have been re-determined for the year 2022.

According to this; for the year 2022;

- Cash refund amount of 68.000,00 TL regarding the taxes withheld through withholding,
- The cash refund amount to be refunded in accordance with the full certification report to be prepared by the certified public accountant, who has drawn up a full certification agreement with the taxpayers, has been determined as 681.000,00 TL.

B. Main Economic Indicators

- The balance of payments statistics for November 2021 is announced by the Turkish Ministry of Treasury and Finance.
 - The current account recorded a deficit of USD 2,681 million decreasing by USD 866 million observed in the same month of 2020, bringing the 12-month rolling deficit to USD 14,256 million.
 - [Click to](#) view the announcement.
- Turkish Statistical Institute announced inflation figures for January 2022.
 - Consumer price index increased by 48.69% annually and 11.10% monthly.
 - Domestic producer price index increased by 93.53% on annual basis, by 10.45% on monthly basis.
- Ministry of Finance and Treasury announced the domestic borrowing strategy and debt statistics January – March 2022.
 - Central Government Debt Statistics were published as well by currency, interest and instrument type.
 - [Click to](#) view the domestic borrowing strategy.

C. Major Tax Issues

- An announcement on “No Set-offs for the Current Period” has been published by the SGK.
 - The deadline for the “insurance notifications” part of the concise and premium service declaration for December 2021 has been extended until the end of Monday, 31 January 2022.
 - In this context, due to the fact that the last day of the payment period of both the "insurance notifications" part of the concise and premium service declaration for December 2021 and the payment period of the debts to be accrued against the said declaration is Monday, 31 January 2022, the employers' current period debts are automatically paid by the system from the center. The deduction of the discount amounts will not be made for the month of December 2021.

- Therefore, those who benefit from the discounts in the temporary article 27 (17256) of the Law numbered 4447, the temporary article 28 (27256) and the additional article 4 of the Law numbered 4447 (1% unemployment insurance premium discount for the workplaces in the very dangerous class) Since the amounts in the escrow accounts of the workplaces for the periods related to the periods will not be automatically deducted by the SSI for the current period debt of December 2021, the employers must pay the entire amount seen in the bank debt query.
- The Ministry of Labor and Social Security has issued an opinion on requesting PCR tests from employees and reflecting the cost to the employee.
 - According to the opinion letter of the Ministry of Labor and Social Security, Occupational Health and General Directorate dated 19.01.2022; Pursuant to the 4th, 15th and 19th articles of the Law No. 6331 and the 8th article of the Occupational Health and Safety Regulation, as of 18.01.2022, the PCR test can be requested from the employees with the decision of the occupational health and safety committee and the test is carried out. It is stated that the cost cannot be passed on to the employees.
 - In addition, it has been explained that the test results can be recorded in order to take necessary actions.

D. Banking & Finance

- Minimum values of Payment and Electronic Money Institutions are current.
- A regulation has been made about the accounts included in the scope of the public treasury.
- The Ministry of Treasury and Finance has published a foreign exchange protected TL deposit account announcement in 10 questions.
 - [Click here](#) to access the announcement.
- Statistics on Treasury receivables and central government debt stocks were published by the Ministry of Treasury and Finance.
 - Treasury receivables data as of 31 December 2021
- Treasury Receivables stock stood at TL 20.7 billion.
- The highest share in the Treasury receivables stock belongs to Local Administrations with 10.2 billion TL.

E. Commercial Arrangements

Amendments have been made in the Free Zones Implementation Regulation.

- Amendments were made to the Regulation on the Implementation of the Law on Supporting Research Infrastructures.
 - Regulations and updates regarding the work and formation of the Research Infrastructure Commission and the Committee were made in the Regulation. In the communiqué on the distribution of dividend advances, a change was made in terms of time for public companies.

In accordance with the 2012 Communiqué, companies that are not subject to the CMB can distribute their profits arising as of temporary periods, apart from the year-end profits that are finalized under the conditions in this Communiqué.

- In order for companies to distribute advance dividends, the company's general assembly must take a decision regarding the distribution of advance dividends and profit must be made according to the interim financial statements of three, six or nine months prepared in the accounting period in which the advance dividend will be distributed.
 - If more than half of the capital is owned by the public, on the basis of the profit in the financial statements at the end of the undetermined accounting period, according to the decision to be taken at the general assembly meetings to be held within two months from the end of the relevant accounting period (Amended phrase: RG-18/1/2022-31723 Repeated). may distribute dividend advances. In this case, the advance dividend to be paid cannot exceed ninety percent of the amount calculated by making the discounts foreseen in the Communiqué from the end of the accounting period profit.

We have summarized recent changes in English, in short headings. We will continue to announce to you all the developments in Turkish and in English.

Please tell us if you have any comments or questions on any of the subjects above. As this is brief summary, we did not give too much details, we can answer your questions if you have.

Because of the mailing system we would like you to mark our bulletins and e-mails as safe in your e-mailing system.

Best regards,

Partners, Taxia