

TURKISH CITIZENSHIP BY PROPERTY INVESTMENT



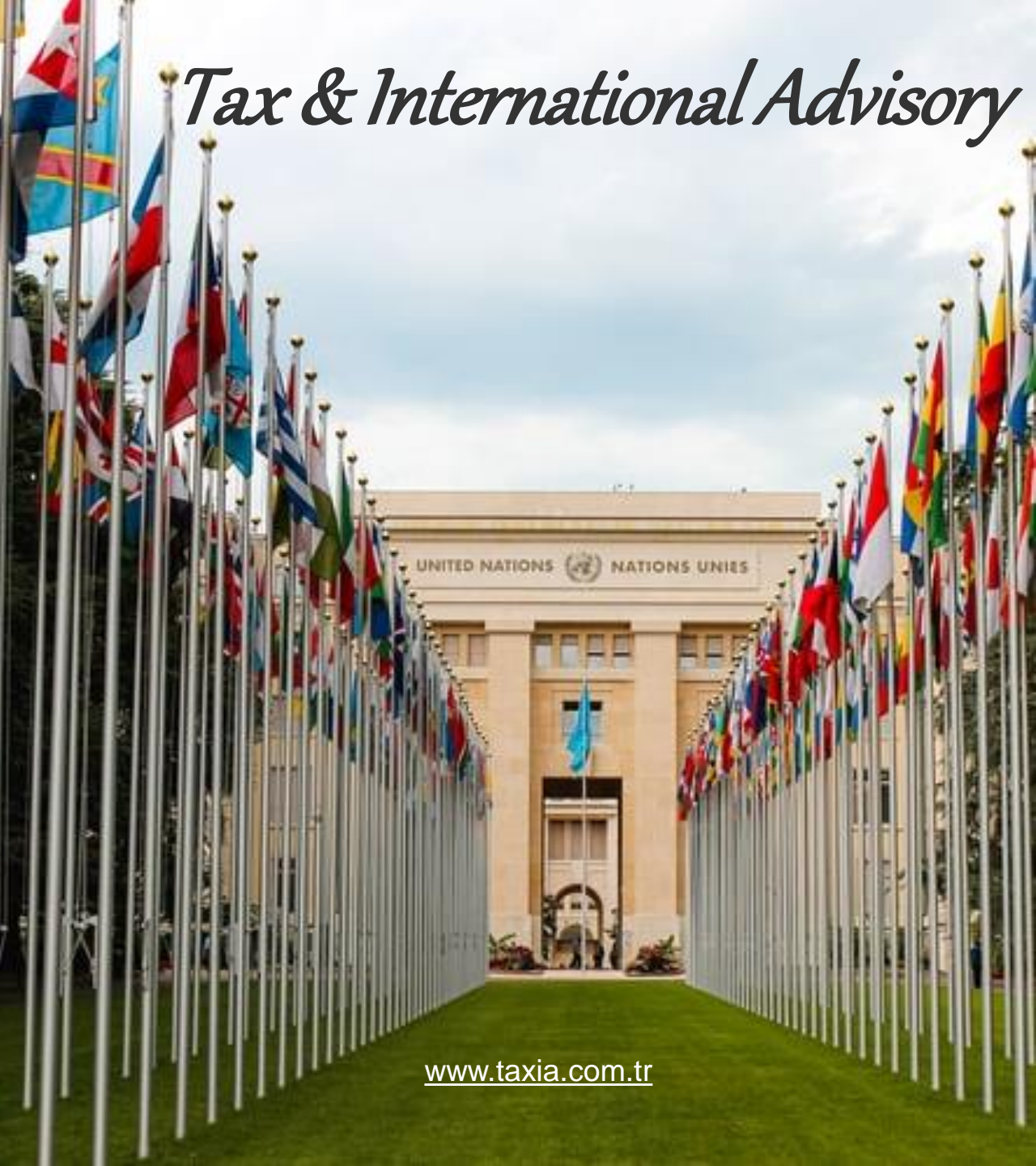
Tax & International Advisory

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- ❖ Şaban is based in Turkey where he is a partner in Taxia and founder of Taxademy. He is the Chairman of Taxia companies and Service Leader for R&D and Incentives.
- ❖ Şaban worked in the Turkish Ministry of Finance as a Financial Auditor and Head of Strategy Unit. He joined in KPMG Turkey and worked 5 years in Tax Department. He has experience in taxation, incentives, R&D and internal control & compliance of local and multinational firms. He worked for Erdikler Taxand for 2 years until December 2018. He joined in Taxia effective from 2019 as Partner and Chairman.
- ❖ Şaban delivers tax consulting services for diversified company types operating in energy, mining, construction, R&D and technology driven companies and he has taken part in many projects, with experience in Turkish laws, incentive and R&D, foreign investment legislation and tax treaties. He is teaching tax/commercial law in well known universities as lecturer and pursuing his Phd on BEPS (Base Erosion and Profit Shifting).
- ❖ Şaban provides structural and transactional advice on the full range of corporate tax activities, including M&A and reorganisations. He also offers tax auditing for several local and international companies operating in numerous industries, as well as consulting for significant holding firms in Turkey.
- ❖ Şaban is involved in many initiatives with NGO's such as UsChambers, TUSIAD, International Investors Agency, Tax Council and TOBB which gives strength for his firms to be involved in collaborative approach with clients and regulatory bodies such as Tax Department, R&D Institutes and Ministry of Economy and Finance and Treasury.

Why you should invest in Turkey ?

[Invest in Turkey](#)

- Robust Economy
 - One of the fastest growing economies in the World with an average annual GDP growth rate of 5.5 %
- Large Domestic and Regional Markets
 - Sizeable domestic market, plus regional markets with FTAs allowing Access to 1 billion consumers
- Strategic Location
 - Regional HQ for multinationals with seamless global connectivity
- Favorable Demographics
 - Young and dynamic population with half under 32 years old
- Skilled and Cost-Competitive Labor Force
 - Well-educated, cost-competitive labor force with high productivity

Why you should invest in Turkey ?

- Liberal Investment Climate
 - No barriers for FDI, strong protection for investors,
- Lucrative Incentives
 - Tailored and comprehensive incentives schemes
- Advantageous R&D Ecosystem
 - Perfect spot for technology development with generous supports
- Sectoral Opportunities
 - Diversified economy with lucrative opportunities in many sectors



According to the new regulations; at least 250,000 USD worth real estate in Turkey or the commitments buying property.



Turkish citizenship by investment is possible only if foreign investors complete the articles of Turkish citizenship law completely.



Methods to Get Turkish Citizenship	Date:12/12/2016 No:2016/9601	Date:13/3/2017 No:2017/10008	Date: 18/10/2018 No:106	Date:6/12/2018 No:418
Fixed Capital Investment	2.000.000 USD	2.000.000 USD	500.000 USD	500.000 USD
Real Estate Acquiring	1.000.000 USD	1.000.000 USD	250.000 USD	250.000 USD
Hiring Employees	100 Employee	100 Employees	50 Employees	50 Employees
Bank Deposit	3.000.000 USD	3.000.000 USD	500.000 USD	500.000 USD
Government Bonds	3.000.000 USD	3.000.000 USD	500.000 USD	500.000 USD
Real Estate Investment Funds	-	1.500.000 USD	500.000 USD	500.000 USD

How to Obtain Turkish Citizenship Through Investment? (1/2)

With the Presidential Decree No. 106 published in the Official Gazette dated 19.09.2018 and the Presidential Decree No. 418 published in the Official Gazette dated 7.12.2018, foreigners will be able to acquire Turkish citizenship if they meet one of the following conditions:

- a) Fixed capital investment of at least 500,000 USD [the amount before the change was at least 2,000,000 USD];
- b) At least 250,000 USD or equivalent Turkish Lira purchased on the condition that the property is not sold for three (3) years
- c) Employment for at least 50 people [at least 100 employees before the change],





How to Obtain Turkish Citizenship Through Investment? (2/2)

- d) At least 500,000 US dollars equivalent in foreign currency or money deposit in Turkish Lira with three (3) year retention condition that deposit banks operating in Turkey,
- e) At least 500,000 US dollars or its equivalent in foreign currency or Turkish lira equivalent of the amount of state debt instruments (bonds) three (3) years to keep the condition purchased by the Treasury and the Ministry of Finance determined,
- f) At least 500,000 US dollars or its equivalent in foreign currency or Turkish lira equivalent of the amount of real estate investment fund shares or venture capital investment fund shares of the [prior to change of at least 1.5 million American Dolar] at least three (3) years to hold,

In determining the monetary value specified above, the effective exchange rate of the Central Bank of the Republic of Turkey on the date of detection and / or cross-exchange rate will prevail.



Acquisition of Turkish citizenship through investment consists of the following three (3) phases:

- 1) Fulfilling one of the investment conditions specified in Article 20 of the Regulation and obtaining the Certificate of Conformity from the relevant institution
- 2) Obtaining a short-term residence permit in accordance with subparagraph (j) of the first paragraph of Article 31 of the Law No. 6458 and
- 3) Making an application for Turkish citizenship through investment.

Turkish citizenship offers its holders the following opportunities;

- The right of permanent residence,
- Permanent right to work without any restrictions and investment opportunities in Turkey,
- Visa-free travel to many countries,
- Easy and short evaluation process for visa applications made to many countries,
- All international incentives provided to Turkish citizens through bilateral or multilateral agreements,

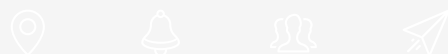
Q&A

My application to acquire Turkish Citizenship has been rejected. Can I re-apply?

-It is possible to re-evaluate your citizenship status if you apply to the governorship of your place of residence, if you meet the conditions required in the Turkish Citizenship Law No. 5901.

Who can apply for Turkish Citizenship through investment?

-Foreigners and turquoise card holders who have obtained a residence permit in accordance with subparagraph (j) of the first paragraph of Article 31 of the Foreigners and International Protection Law No. 6458 of 4/4/2013.



Is it possible to apply to acquire Turkish Citizenship for previous investments?

-Investments made before 12.01.2017 are excluded.

*Application form for Turkish citizenship:

https://nvi.gov.tr/kurumlar/nvi.gov.tr/mevzuat/nufusmevzuat/Formlar/Vatandaslik/Vat4_Istisnai_Olarak_Kazanma.pdf

*To follow your application:

<https://vatan.nvi.gov.tr/moduller/basvuru/basvurudurumbilgi.aspx>

Q&A

Is it possible to sell property before 3 years?

-Action shall be taken according to the response to be received from the Provincial Directorate of Census and Citizenship.

Can I purchase multiple properties to apply for Turkish citizenship?

-Yes.

Can I apply for a long-term residence permit (up to 5 years if the passport date of expiration is appropriate) if I am not interested in getting Turkish Citizenship?

-Yes, as long as you fulfill the relevant six criteria.

Can I apply through a proxy for property acquisition to obtain exceptional Turkish citizenship?

-It is possible if clearly stated on the power of attorney.

Q&A

Do I have to buy all those properties at the same time?

-No. Application can be made for properties which are purchased at different times.

Can I apply for exceptional Turkish citizenship if I buy some shares of a property?

-Yes, as long as the value of the acquired share is minimum USD 250.000.

Can I apply for citizenship even if the acquired property is mortgaged or seized?

-The property can be sold with any existing mortgage or seizure.

Can I apply for citizenship if I buy the property with a mortgage loan?

-In that case, the net down payment of the loan amount shall be considered.

-The down payment should be minimum USD 250.000 also for legally mortgaged sales.

Q&A

How to appraise value for properties required for citizenship at land registry?

- The sum of receipts evidencing payments must have a value equal to USD 250.000 according to the USD selling Exchange rate of the Central Bank of Turkey on the date prior to the date of deposit.
- The amounts listed in the appraisal report and the official bill may not be less than the sum of values in the receipt.

The exchange rate of which date shall be considered for bank receipts evidencing payments?

- In the event that the receipt is paid in Turkish Lira, the selling exchange rate of the Central Bank of Turkey on the date prior to the date of payment shall be considered to calculate USD equivalent of the receipt amount.

How to appraise value if multiple receipts with different dates are presented (paid in Turkish Lira)?

- The sum of values calculated on the basis of the effective selling Exchange rate of the Central Bank of Turkey on the work day prior to the date when each receipt is issued must be USD 250.000.

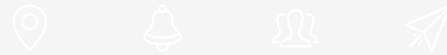
Q&A

Can foreigners owning or shareholding a foreign capital company apply for citizenship with a property owned by the company?

-The property to be acquired by foreign nationals through actual sale or a sale promise should not be registered to the title of the legal entity of the company that the real person owns or manages.

How to appraise value if payments are made after the selling transaction?

-Effective selling exchange rate of the Central Bank of Turkey on the date prior to the payment date for receipt and prior to the selling transaction for the value on the official title deed shall be considered In that case, both values are required to reach USD 250.000.



Does the seller of the property matter in the application for citizenship?

-Properties sold or subject to a sale promise must be registered in the name of Turkish citizens. Furthermore, they should not be any properties transferred by a foreign real person after 12 January 2017 ..(Including self, spouse and children of the foreign person who acquires it)

Q&A

How to transfer the selling cost of the property?

- Must be deposited and documented as bank remittance, EFT etc by the buyer or the buyer's representative to the bank account of the seller or the seller's representative.
- The transfer/payment of price for properties owned by public institutions and ventures such as TOKI and Emlak Konut may also be reported with the approved bank receipt or an official letter indicating the price of the property purchased.

Where to obtain the appraisal report and is there a validity term for it?

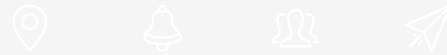
- The appraisal report shall be obtained from the appraisal organizations posted on the web page of the Board of Capital Markets. (<https://www.spk.gov.tr/SiteApps/Sirketiletisim/List/gds>)
- It is valid for three months beginning from the date of issue It shall be considered applicable until the transaction is completed from the date it is given.

Q&A

How should the appraisal report be issued?

- A property appraisal report representing the market value (present market value/present value) is required.
- The appraisal report must be based on the value on the date of the report for buildings which are actually completed on the ground, and the value to occur upon completion of building for properties which have not been completed or the construction of which is ongoing and for which a construction servitude was established.

I received the announcement document of acquiring Turkish Citizenship. Is my acquisition of Turkish Citizenship concluded or do I need to take any other action?



- Turkish Citizenship won with the announcement that you document the district directorate of the population or our foreign representations of the Republic of Turkey you need to apply for identity cards.

Q&A

Where can I receive the announcement document that I have acquired Turkish Citizenship?

-The announcement document stating that you have acquired Turkish Citizenship can be received by the relevant person in return for signature from the application authority (provincial directorate of population and citizenship / foreign representation).

Can the announcement document of Turkish Citizenship be sent to my residence address?

-Those who are deemed eligible to acquire Turkish Citizenship by the decision-making authority are forwarded to the application authorities for an announcement, and the relevant application authorities (provincial directorate of population and citizenship / foreign representation) are submitted to the relevant persons against signature.

I received the announcement document of acquiring Turkish Citizenship. However, my foreign identification number still appears to be active. What should I do?

-If you submit a petition to the application authorities on the subject, it will be possible to evaluate your situation.

Q&A

What are the investment conditions required for the acquisition of Turkish Citizenship through investment?

- To make a fixed capital investment of at least 500.000 USD or its equivalent in foreign currency or equivalent Turkish Lira
- Buying an immovable at least 250.000 USD or equivalent foreign currency or equivalent Turkish Lira and not selling it for three years in the title deed records
- To create employment for at least 50 people
- At least 500.000 US dollars or its equivalent in foreign currency or deposit of money available in commitment to keep the deposit banks operating in Turkey three years in the amount of Turkish Lira
- Making a commitment to purchase government debt instruments worth at least USD 500.000 or its equivalent in foreign currency or Turkish Lira and keep it for three years

What is the process to be followed in the acquisition of Turkish Citizenship through investment?

- Fulfilling one of the investment conditions specified in Article 20 of the Regulation and obtaining a Certificate of Conformity from the relevant institution,
- Obtaining a short-term residence permit in accordance with subparagraph (j) of the first paragraph of Article 31 of the Law No. 6458,
- Making an application to the Provincial Directorate of Population and Citizenship of residence to acquire Turkish Citizenship through investment.

Q&A

Are there legal restrictions on the application of foreigners for citizenship through investment?

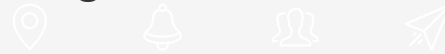
-Any limitations break down the other side of the acquisition of real estate by the Turkish Citizenship Law No. 6302 on the application in accordance with Article 35 Turkey 183 different countries citizens without seeking reciprocity has provided the opportunity to get real. However, 1062 pursuant to Law No. Response-i Bilmisil immovable property confiscated by the treasury that the Syrian citizens in Turkey are not eligible to apply to the Turkish Citizenship property acquisition path.

Can applications made for the acquisition of Turkish Citizenship by an exceptional way be by proxy?

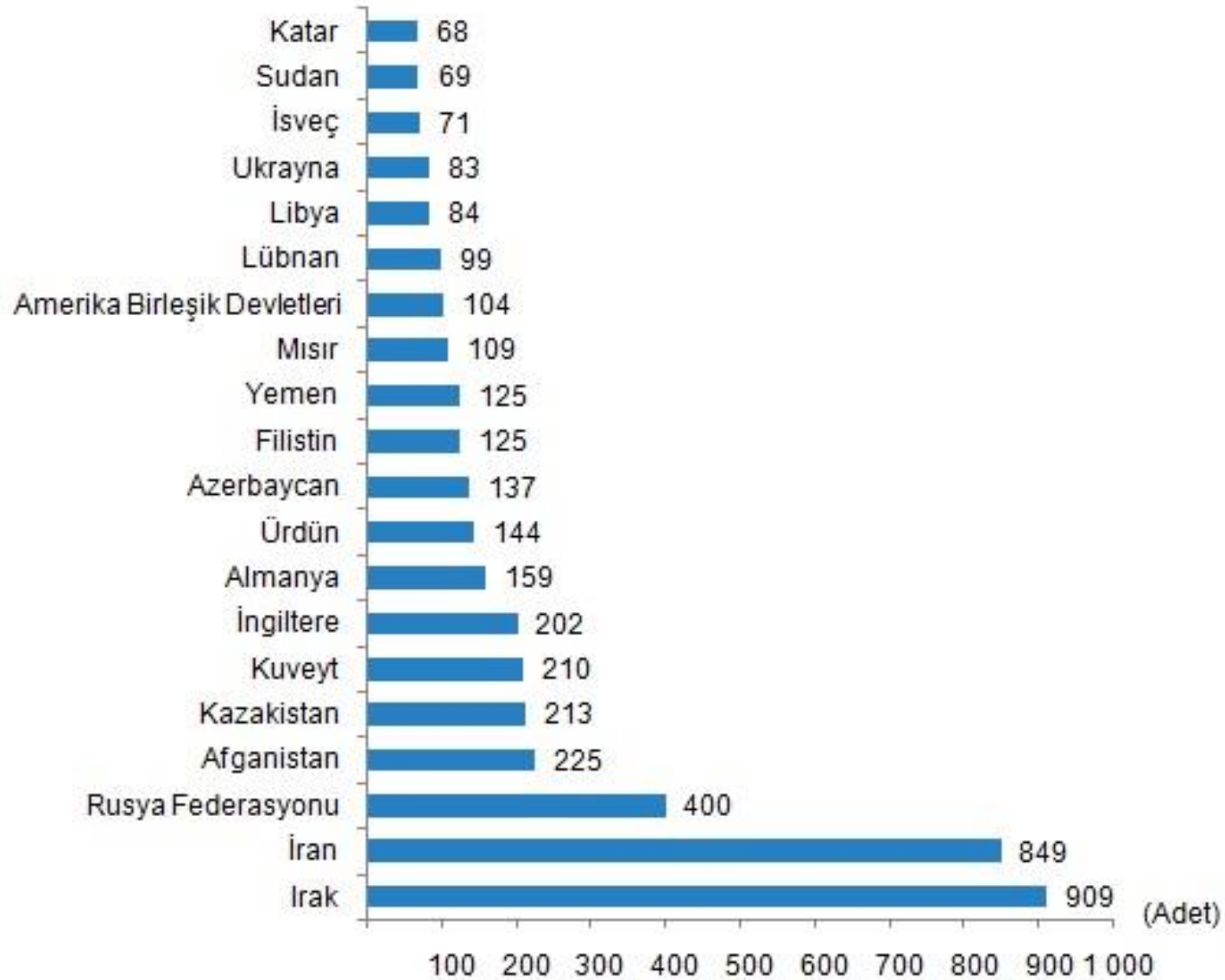
-Obtaining a certificate of conformity, short-term residence permit application, receiving the residence permit card and submitting the necessary information and documents for citizenship application can be concluded remotely, with a special power of attorney without the need for the foreigner to enter the country, if this issue is clearly written in the power of attorney.

What is a Certificate of Conformity?

-It is a document issued by the relevant institutions in order to determine that the minimum investment requirement in Article 20 of the Regulation on the Implementation of the Turkish Citizenship Law No.5901 is met to be used by foreign investors in both citizenship and residence permit applications.



20 Countries with the Highest Number of Houses Sold by Nationality



About us

Since the day it was founded, Taxia has been serving its customers with a 24/7 approach in Ankara, Istanbul, USA (Delaware) and Mardin offices with the same love of service. It can reach more than 2,000 consultants in 50 countries with its international networks. It attaches importance to quality and transparency in its integrated services. It offers global services for all its customers with its competent experts in different fields.

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Taxademy & Taxia

An aerial photograph of a city skyline at dusk, overlaid with a semi-transparent blue filter. The city features numerous skyscrapers and buildings, with some lights visible. In the background, a large body of water is visible under a darkening sky with some clouds. The overall mood is serene and professional.

Thank You