

NO: 2020-12

CIRCULAR

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SUBJECT: ANNOUNCEMENT ABOUT TAXPAYERS WHOSE PAYMENTS WERE POSTPONED BY EXTENDING THEIR TAX STATEMENTS AND VAT RETURN SUBMISSION DEADLINES SINCE THEY WERE AFFECTED FROM CORONAVIRUS OUTBREAK

In the announcement published in its website on 24 March 2020, Revenues Administration declared that a General Announcement is being prepared for the application of force major provisions for the tax payment liabilities of the taxpayers who were affected from the Corona Virus (COVID-19) outbreak and the related measures.

In this announcement,

- Not all the taxpayers but only the taxpayers and taxpayer groups who are defined in this announcement are entitled for the benefits to be made available under force major measures.
- The deadline for the submissions of tax declarations and vat returns by the taxpayers for April, May and June shall be extended by 17:00 on 27 July 2020.
- Payment terms for the above mentioned declaration and returns shall be extended six months and can be made in the last week of October, November and December.
- The period from the commencement to the end of the curfew shall be accepted as force major for the taxpayers and members of profession who cannot go out due to the curfew declared for the persons who are 65 or over and who suffers from chronic diseases under the frame of the Announcement made by Ministry of Internal Affairs on the curfew for the citizens who are 65 years old or over and suffer from chronic disease. Tax declarations and VAT returns required to be submitted for the above mentioned period and the payment term for the taxes accrued on the basis of these shall be extended by 17:00 on 15th of the month following the month in which the curfew is ended, and the announcement is pending for official and detailed elucidating.

1. Taxpayers who are accepted as affected from force major

Taxpayers who are directly affected from the outbreak and deals with retail trade including shopping centers, iron, steel and metal industry, automotive manufacture and trade and manufacture of parts and accessories for automotive industry, logistics and transportation including warehousing, art services like cinema and theater, accommodation activities including tour operators and travel agents, food and drink services including restaurants and coffee houses, textile and confection manufacture and trade, organization and activity services, health services, furniture manufacture, mining and quarrying, building construction and private construction activities, industrial kitchen manufacture, vehicle renting, publication of books, newspapers, journals and other printed materials including printing services, shall be accepted as affected from force major.

Besides these, the taxpayers whose operations are suspended under the measures taken by the Ministry of Internal Affairs and operating in the sectors containing workplaces like swimming pools, saunas, hot springs, sport, game and wedding halls, barbers and coiffeurs, shall also benefit from the force major provisions during this term.

In addition to the above mentioned taxpayers who keep books on the basis of balance sheet and operating accounts including farmers, tailors, greengrocers, advocates, financial consultants, architects, engineers, pharmacists, doctors, dentists, veterinaries, physiotherapists, software developers, artists and about 1.9 million income taxpayer citizens shall also benefit from the force major provisions.

2. Declarations and returns postponed under force major and their payment terms

In the General Announcement, the submission term for the tax declarations and vat returns required to be given in April, May and June were extended by 17:00 on 27 July 2020 for all the tax payers listed above.

Payment terms for the taxes accrued on the basis of the above mentioned declarations and returns were extended six months and they shall be made in the last week of October, November and December.

3. Application of force major provisions for the taxpayers who are 65 years old or over or suffer from chronic diseases and subject to curfew.

Besides these, it was decided that the period from the commencement to the end of the curfew shall be accepted as force major for the taxpayers and members of profession who cannot go out due to the curfew declared for the persons who are 65 or over and who suffer from chronic diseases under the frame of the Announcement made by

Ministry of Internal Affairs on the curfew for the citizens who are 65 years old or over and suffer from chronic disease, and tax declarations and vat returns required to be submitted for the above mentioned period and the payment term for the taxes accrued on the basis of these shall be extended by 17:00 on 15th of the month following the month in which the curfew is ended, and the announcement is pending for official and detailed elucidating.

TAXPAYER GROUPS WHO SHALL BENEFIT FROM FORCE MAJOR PROVISIONS

1. Retail Trade and Shopping Centers

Markets, cafes, grocers, delicatessens, greengrocers, ice cream sellers, hosiery, butchers, building material sellers, small household goods and white good sellers, furniture sellers, home textile retailers, bookshops and stationeries, newspaper and journal sellers, shoe and clothe shops, toyshops, medical and orthopedic product sellers, pharmacies, jewelers, florists, stallholders, fishmongers, patisseries and bakeries, personal care and cosmetic product sellers and activities related to the retail sale of any other similar products, shopping centers and those dealing with retail sale activities in the shopping centers.

2. Iron Steel and Metal Industry

Manufacture of iron, steel, aluminum, copper, lead, tin, zinc like manufacture of iron or steel granule and iron dust, tubes, pipes, empty profiles made of iron/steel and relevant connection parts (hot-drawn or hot-rolled), manufacture of steel bars and filled profiles using cold or hot roll method, manufacture of open profiles, ribbed plates and sandwich panels using cold forming or folding method, manufacture of steel wires using cold drawing method, manufacture of aluminum folios (including those made of alloys), aluminum manufacture (in non-processed form), manufacture of lead plates, layers, folios, tapes, lead sand and washers (including those made of alloys), tin manufacture (in non-processed form), zinc manufacture (in non-processed form), and the sale of these by the manufacturers.

3. Automotive

Manufacture of automobiles, lorries, trucks, trailers and semi-trailers, manufacture, retail and wholesale of all land vehicles like buses, minibuses, midi buses, tractors, motorbikes, tractor trailers and caravans and automotive side industry

4. Logistics-Transportation

Any kind of intra and inter-city load and passenger transportation via air, land, rail, marine and water vehicles, operating motorways, tunnels and bridges; warehousing activities; airport services; operating airports, airport ground services; cargo and luggage handling services in land, air, marine and rail transportation and any other similar logistics and transportation services.

5. Cinema and Theater Activities

Any kind of artistic activities like theaters, operas, ballets, cinemas and concerts

6. Accommodation

Accommodation activities like hotels, motels, hostels and holiday villages; tour operator and travel agent activities; reservation services, hot springs, thermals, spas, mineral springs and any other similar accommodation activities and related services

7. Foods and Drinks Services

Food and drink services given in restaurants, cafes, coffee houses, tea houses, canteens, kiosks in the transportation vehicles, doner shops, pizza houses, ice cream shops, soup restaurants, etc.

8. Textile and Garment activities

Manufacture of natural cotton fiber, manufacture of natural wool and mohair fiber, stranding natural and artificial fabrics and making threads from them, manufacture of denims, manufacture of cotton textile fibers, manufacture of textile clothes from linen, ramie, hemp and jute fibers and other vegetable textile fibers, manufacture of clothes and threads like pile, chenille, towel, plush and other textile clothes, manufacture of clothes and textiles like tufting clothes, manufacture of products made of any kind of cottons, wools, mohair, fiber and clothes and manufacture and sale of clothes and home textile and manufacture and sale of textile and garments.

9. Activities and Organization

Organization of exhibitions, congresses, conferences, commercial fairs and activities and any activities and organization activities carried out in internet cafes, game and wedding halls, sport centers, and any kind of human relations and communication activities.

10. Health Services

Hospital services for human health, dialysis centers, private medical activities, dentistry activities, in-patient care services, medical laboratory services and any other similar health services.

11. Furniture Manufacture

Manufacture of chairs, armchairs, sofas, davenports and couches and their frames; manufacture of office and kitchen furniture, manufacture of beds, bedrooms, dining rooms, bath cabinet, teen and child room furniture, wardrobes and cloakrooms.

12. Mining and Quarrying

Activities related to the mines like coal, lignite, uranium, chrome, nickel and aluminum and quarrying activities related to marbles, granites and stones.

13. Construction

Development of building projects, construction of buildings for dwelling and other purposes, re-arrangement and renovation activities of the buildings, demolition works, installation of heating, ventilation, cooling and air conditioning systems, internal and external painting works of the buildings, building construction and works like wall and floor construction.

14. Industrial Kitchen Equipment

Manufacture of industrial kitchen equipment like table and kitchen utensils made of steel, iron, aluminum and copper.

15. Vehicle Rent

Rent of motor vehicles and automobiles

16. Publication and Printing Services

Publication of textbooks and books for children, newspapers, journals and periodicals and printing newspapers journals and periodicals and binding and other such services

17. All the Income Taxpayers

Taxpayers who obtain commercial or agricultural income and keep books on the basis of balance sheet and operating accounts including farmers, tailors, greengrocers, advocates, financial consultants, architects, engineers, pharmacists, doctors, dentists, veterinaries, physiotherapists, software developers, artists and all the income taxpayers obtain income as freelancers.

Do not hesitate to contact us if you need any additional information on the issues defined above.

Best Regards
PKF Istanbul