

## Amendments to Value Added Tax Arrangements in Turkey

*22 Jul 2016*

Turkey has announced a range of changes to Value Added Tax arrangements. Notable changes include clarification that overpaid tax during exports will not be refunded, tax obligations become suspended during force majeure events, as well as international organizations being exempt from Value Added Tax for goods or services in certain circumstances.

The Communiqué on Amendments to the Communiqué on General Implementation of Value Added Tax No. 6 ("**Communiqué**") was published in Official Gazette number 29718 on 21 May 2016 and entered into effect on the same date.

The key points of the Communiqué include declarations that:

- If a taxpayer overpays tax during exports, despite being entitled to request a discount, overpaid tax will not be refunded, nor any corrections made. This also applies to tax paid on goods or services procured from a foreign country.
- If a taxpayer is subject to force majeure, tax assignment will be delayed until the force majeure ends. Partial stoppage procedures are also delayed until the end of a force majeure.
- Withholding tax procedures will not apply to wood and forestry products by exporters, or parties which create products via procurements from the administration, official institutions and organizations, as part of the attached sheets in the Public Finance Management and Control Law numbered 5018.
- International organizations and their subsidiaries are exempt from value added tax for goods or services which are:
  - For official use by an international organizations or its subsidiary,
  - Intended for social and economic purposes,
  - Without charge, or
  - For administrative staff who are not Turkish citizens, during the term of office in Turkey.

Please see this [link](#) for full text of the Communiqué (only available in Turkish).

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