

## Moroğlu Arseven co-publish Article on Turkish Tax Liability for Shareholders and Legal Representatives of Corporations

*8 Jan 2015*

Dr. Z. Ertunç İrin, Assistant Professor at Istanbul University, and Moroğlu Arseven Counsel, A. Ülkü Solak, have co-published an article regarding Turkish tax matters. The article discusses the tax liability of shareholders and legal representatives of corporations under Turkish law and was published in the United Kingdom's Journal of International Tax, Trust and Corporate Planning.

Ertunç and Ülkü explain that the Turkish Commercial Code separates legal entities into six types, but most investors prefer joint stock corporations and limited liability companies since these company types limit shareholder liability to the company's creditors. Such liability is limited to the amount which the shareholder contributed to the share capital. They go on to explain that the two most important issues for limited liability companies in Turkey are the tax liability of shareholders and legal representatives (managers and board members).

The authors note that Turkish legislation technically enables the tax authority to seek enforcement against foreign shareholders and legal representatives, demanding payment of its debt from their assets outside of Turkey. However, they note that such an approach by the tax authority is quite uncommon.

The Journal of International Tax, Trust and Corporate Planning is a regular professional publication, which gives insight into the latest developments and techniques across different jurisdictions. For more information, please see the [Journal's website](#).

### Related Practices

- [Tax and Customs Litigation](#)