

Principles and Procedures Applying to Taxpayers Detected with High Risk of Forging Documents have been Published

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Pursuant to article 160/A of the Tax Procedure Law ("**Law number 213**") taxpayers who are determined by the relevant departments of the Ministry of Treasury and Finance to have a high risk of forging documents will be referred to tax inspection and then their taxpayer status will be abandoned. Within the scope of this amendment, which was brought in order to strengthen the trust in documents and to terminate the acts of those who issue fake documents, the procedures and principles regarding the determination of risky taxpayers, tax inspection and cancellation were determined by the General Communiqué of the Tax Procedure Law number 520 ("**Communiqué**").

In accordance with Law number 213 and the Communiqué, the relevant departments of the Ministry of Treasury and Finance, examine and evaluate the tax compliance levels of the taxpayers by considering the taxpayer period, the size of the assets and equity, the amount of tax paid, the number of employees. Based on these examinations, taxpayers with a high risk of issuing forged documents are identified.

Information of taxpayers who are found to have a high risk of forging documents is transferred to the relevant tax office in order to initiate the taxpayer cancellation process and later referred to tax inspection. Communiqué also regulates that these taxpayers will be called the roll within the scope of tax inspection.

This examination conducted at the notified workplace address examines the issues that will prove whether the taxpayer engages in commercial, agricultural or professional activity. The commission examines whether the information determined is compatible with those notified to the tax office, during the inspection.

The analysis and evaluations of the commission is written in a minute. In this minute, the commission may either conclude that the risk of forgery of the taxpayer is high and that the obligation should be abandoned under the relevant article or the taxpayer does not have a high risk of issuing forged documents, therefore the taxpayer status does not need to be abandoned according to the relevant article. This minute is later submitted to the approval of the head of tax office/fiduciary. If the minute is approved, the obligation is canceled *ex officio* or no action is taken regarding the *ex officio* cancellation, and the relevant department, which conveys the result of the analysis and evaluation, is notified of this situation together with its reasons.

The second paragraph of article 160/A of Law number 213 states that the status of the taxpayer who was abandoned *ex officio* can be conserved by giving a guarantee. In addition, according to the result of the tax inspection, the status of taxpayers and related persons will be re-evaluated and the guarantee received for the re-establishment/continuation of the liability can be returned accordingly under certain conditions.

The full text of the Communiqué is available at this [link](#) (only available in Turkish).

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