

Turkey Makes Regulations on Public Obligations to Lessen Economic and Social Effects of COVID-19 Pandemic

21 Apr 2020

Turkey has regulated the following issues on the public obligation due to the force majeure arising from COVID-19 pandemic, under the Law 7244 on Reducing the Economic and Social Effects of New Coronavirus (COVID-19) and Amendment of Certain Laws ("**Law**") published in Official Gazette numbered 31102 on 17 April 2020:

As per article 1 of the Law;

- The Ministry of Environment and Urbanization is entitled to defer
- the fees to be paid based on the agreement on the treasury immovables, and
- the adequate payment required to be collected within a period of three months starting from 1 April 2020,

for a period of three months without the need for an application. The Minister of Environment and Urbanization can extend these periods up to three months from the end of the period. These receivables will be collected in monthly equal installments for the delayed period at the end of the deferred period, without any delay increase or interest.

- The fees of the recreation areas and immovables leased out by the General Directorate of Forestry in accordance with the Public Procurement Law numbered 2886 and dated 8 September 1983 with the permits for the state-owned forests granted to real persons and private legal entities in accordance with the Forest Law numbered 6831 dated 31 August 1956, required to be collected for a period of three months starting from 1 April 2020, are deferred for a period of three months without the need for an application. The permits granted for the purpose of tourism facility are excluded from the extension. The Minister of Agriculture and Forestry is entitled to extend these periods up to three months from the end of the period. These receivables will be collected in monthly equal installments for the delayed period at the end of the deferred period, without any delay increase or interest. Additionally, site delivery can be made by obtaining a bank letter of guarantee for the first-year fee accrued during the deferred period of the granted permits.
- Rental fee of the places leased in accordance with the provisions of Law numbered 2886 and subject to the National Parks Law numbered 2873 and dated August 1983, required to be collected for a period of three months starting from 1 April 2020, are deferred for a period of three months without the need for an application. The Minister of Agriculture and Forestry is entitled to extend these periods up to three months from the end of the period. These receivables will be collected in monthly equal installments for the delayed period at the end of the deferred period, without any delay increase or interest.
- The city council is entitled in metropolitan municipalities, municipalities, provincial special administrations and unions, while authorized decision body is entitled in affiliated organizations to defer the fees or amounts required to be collected for a period of three months starting from 19 March 2020, for a period of three months and arising from the sales, adequate payment and leasing in accordance with the legislation related to the immovables that are at the disposal of or owned by the metropolitan municipalities, municipalities, provincial special administrations and their affiliates and the local administration associations to which they are members. The Minister of Environment and Urbanization or the Minister of Interior is entitled to extend these periods up to three months from the end of the period. These receivables will be collected in monthly equal installments for the delayed period at the end of the deferred period, without any delay increase or interest. With regards to enterprises whose activities are ceased or those cannot operate, rental fees will not be collected for the non-operational period.
- Income tax withholding declaration and payment periods, all social insurance premium payments and annual installment payments made to the General Directorate of State Hydraulic Works in accordance with article 4 of the Law numbered 1053 and dated 3 July 1968 on Municipal Organization for Drinking, Using and Industrial Water Supply of the metropolitan municipalities, municipalities and their affiliates, required to be collected for a period of three months starting from 17 April 2020, are deferred for a period of three

months. The President is entitled to extend these periods up to three months from the end of the period. These receivables will be collected in monthly equal installments for the delayed period at the end of the deferred period, without any delay increase or interest. During the deferred period, the period of limitation for the assessment and penalization in the Tax Procedural Law numbered 213 and dated 4 January 1961 do not process and it extends as long as the non-processing periods.

- Receivables related to water consumption of the metropolitan municipalities, municipalities and their affiliates for the residences and workplaces whose activities are stopped or which cannot operate, required to be collected for a period of three months starting from 17 April 2020, can be deferred for a period of three months by city council. These periods can be extended up to three months from the end of the period by the city council. These receivables will be collected in monthly equal installments for the delayed period at the end of the deferred period, without any delay increase or interest.
- Metropolitan municipalities and municipalities can make income support payments to real and legal persons working by obtaining permit or license or leasing a line, in a manner limited to the uninterrupted execution of the public transport service, with the decision of city council for a period of three months starting from 17 April 2020. License, permit, line rental debts corresponding to the determined period can be deferred for a period of three months without interest. The Minister of Environment and Urbanization is entitled to extend these periods up to three months from the end of the period. This license, permit, line rental debts will be collected in monthly equal installments for the delayed period at the end of the deferred period, without any delay increase or interest.
- Part of annual announcement and advertisement taxes and annual environmental cleaning taxes of enterprises whose activities are ceased or those cannot operate, corresponding to non-operational periods, will not be collected.
- The installment payment of the restructured debts paid in installments annually and arising from Support and Price Stabilization Fund of the agriculture sales cooperatives associations according to provisional article 4 of the Law on Agriculture Sales Cooperatives and Associations numbered 4572 and dated 1 June 2000 for the year 2020 are deferred to the year 2021. The installment payments to be paid in the following years, including 2021, are also deferred for one year without interest.

As per article 2 of the Law;

- The notifications and declarations to be submitted by associations according to the Law of Associations numbered 5253 and dated 4 November 2004 and Turkish Civil Code numbered 4721 and dated 22 November 2001 and general assembly meetings of associations are deferred until 31 July 2020. The Minister of Interior is entitled to extend the period up to three months. The deferred general assembly meetings will be held within 30 days from the end of the deferred period. Duties, powers and responsibilities of the existing bodies continue until the first general meeting to be held after the deferred period.

Article 10 of the Law;

According to additional article 7 added to the Public Finance Management and Control Law numbered 5018 and dated 10 December 2003;

- In cases of force majeure such as earthquake, fire, flood and pandemic or breakdown of information systems of the Ministry of Treasury and Finance for any reason; the methods for creating, recording, transmitting, storing and presenting data, information and documents are determined by the Ministry of Treasury and Finance.
- In cases of force majeure, sanctions such as delay interest, delay increase and penalty are not applied, due to the delay that may occur in transactions conducted through the information systems of the Ministry of Treasury and Finance.

As per article 11 of the Law;

According to provisional article 13 added to the Anti-Smuggling Law numbered 5607 and dated 21 March 2007;

- The allocation of the medical devices and materials, test material, plasma, ethyl alcohol, isopropyl alcohol, glycerol, mask, gloves, overalls, shoe covers, cologne, disinfectant, disinfection devices, respirator, intensive care equipment, medicine, vaccine, first aid equipment and devices and materials used in their manufacture that would be seized in accordance with this Law until 30 September 2020 and directly related to the fight against infectious pandemic can be requested by relevant public institution or seizing

administration from the judge in the investigation phase, from the court in the prosecution phase, if there is no need to keep it as evidence, after taking enough samples, if it is not possible, after determining all kinds of distinctive features. Objections can be made against the decisions. If the judge or the court decides on the return of the good at the end of investigation or prosecution, remaining amount after deduction of customs duties and fines, if any, from market value of the good, will be paid to the owner.

Please see this [link](#) for the full text of the Law.

Related Practices

- [Tax, Fiscal and Public Debts](#)