

## Turkey Postponed the Deadline to Pay the Insurance Premiums

*10 Apr 2020*

Turkey has postponed the deadline to pay the insurance premiums for March 2020 to 2 November 2020, for April 2020 to 30 November 2020, for May 2020 to 31 December 2020 for those specified below as per the Board of Directors' Resolution dated 26 March 2020 and numbered 2020/188 of the Social Security Institution ("**Resolution**"). The Resolution is mentioned in the Social Security Institution Directorate General of Insurance Premium's writ dated 2 April 2020 and numbered 51592363-010.07.01-E.5157380.

In this regard, the Social Security Institution made an announcement ("**Announcement**") on 2 April 2020 declaring that private sector employers whose employees are insured under article 4/1(a) of the Law numbered 5510 in the workplaces belonging to followings that are accepted by Turkey's Ministry of Treasury and Finance within the scope of force majeure measures between 1 April 2020 and 30 June 2020 can benefit from the postponement:

- Taxpayers who are liable for income tax in terms of business, agricultural and professional profits,
- Taxpayers who are directly affected by the COVID-19 pandemic and operating in the following sectors as their main field of activity;
  - Retail (including shopping malls),
  - Health services,
  - Furniture manufactures,
  - Iron and steel and metal industry,
  - Mining and quarrying,
  - Building construction services,
  - Industrial kitchen manufactures,
  - Automotive manufactures and trade and manufacture of parts and accessories for the automotive industry,
  - Car rentals,
  - Logistics and transportation including storage activities,
  - Artistic services such as cinemas and theaters,
  - Publishing activities of books, newspapers, magazines and similar printed products including printing,
  - Accommodation activities including tour operators and travel agencies,
  - Food and beverage services including restaurants and cafes,
  - Manufacture and trade of textiles and clothing,
  - Event and organization services, including public relations.

- Taxpayers operating in the sectors, as their main field of activity, involving workplaces whose activities are decided to be temporarily suspended within the scope of the measures taken by Turkey's Ministry of Interior.

In addition, the Announcement states that insured persons under article 4/1(b) of the Law numbered 5510 from following self-employed persons working independently on their own behalf can also benefit from the opportunity of postponement:

- Taxpayers who are liable for income tax in terms of business or self-employed income in real or small business taxation system,
- Taxpayers who are exempt from income tax and registered in the registry of tradesmen and craftsmen,
- Taxpayers engaged in agricultural activities, and
- Shareholders of the joint stock company who are members of the board of directors, acting partners of the limited partnership in which the capital is divided into shares, all shareholders of the other companies and association of shipowners, provided that legal entities are subject to force majeure measures in terms of their main fields of activity as per above.

The followings are excluded from these benefits:

- Village headmen
- Neighborhood headmen
- Those having voluntary insurance.

In this context, the Social Security Institution automatically postponed deadline to pay insurance premiums for these private sector employers with insured employees, and insured persons, without need for application. These will not be subject to any default interest or penalty specified in article 89 of the Law numbered 5510.

Additionally, the Resolution states that those specified above will continue benefitting from incentives for the months subject to premium postponement, provided that other conditions specified in the relevant legislation are met and that they do not have any debt other than their debts related to the notifications for March, April, May 2020 under the postponement or, if any, the other debts were already deferred or structured in accordance with the relevant Laws.

The list of workplaces that is subject to the postponement will be announced on

<https://uyg.sgk.gov.tr/IsverenSistemi>, and employers will be able to check their name through this system.

NACE REV 2 code is based on the creation of the list. Employers who claim that their NACE REV 2 code in workplace registration information is in the relevant sectors, but their workplace is not on the list, can apply to the Social Security Institution. Employers who claim that sectoral NACE REV 2 code is incorrect in the workplace registration information, although they operate in the sectors that are subject to the postponement, can apply to the Turkey's Ministry of Treasury and Finance.

Those who can benefit from the postponement among insured persons who are subject to article 4/1(b) of the Law numbered 5510 will be seen through the electronic state system with an application namely "GÜVENCE". Those who claim that although they should be subject to the postponement, however they are not subject to the postponement, can apply to the Social Security Institution.

In addition, the deadline to pay insurance premiums to be accrued during the force majeure period has been extended to the end of the 15<sup>th</sup> day following the day when the curfew would end for following insured

persons who are subject to article 4/1(b) of the Law numbered 5510:

- Those who will have reached the age of 65 in the period between 22 March 2020 and the end of the force majeure period;
- Those who prove and certify their chronic disease with valid documents received from health institutions.

The followings are excluded from these benefits:

- Those having voluntary insurance
- Those who are real person employer despite being over age 65 or suffering from chronic disorders and subjected to the curfew.

Please see this [link](#) for the full text of the Resolution and this [link](#) for the full text of the Announcement. (Only available in Turkish)