

## Turkey Streamlines Tax Inspection Processes and Extends Tax Inspection Board's Reporting Powers

20 Nov 2016

Turkey has introduced a range of amendments to tax processes. These include new rules and processes for the Tax Inspection Board, tax inspections and Tax Commissions. The changes are intended to provide clarity, streamline inspection processes, as well as extend the reporting power of the Tax Inspection Board.

Tax Commissions must now present a report to taxpayers before the hearing, summarizing the disputed matter.

Notable amendments for the Tax Inspection Board include:

- Investigations by the Tax Inspection Board ("**Board**") are now clearly defined as administrative (rather than judicial). In most cases judicial and administrative investigations are independent, meaning they can result in different rulings and penalties.
- Tax Inspectors are now authorized to inform competent authorities about any act which may constitute crime, under any legislation, via the Presidency of Tax Inspection Board ("**Presidency**"). Previously, Tax Inspectors could only inform authorities about acts which may constitute crimes within the scope of the Law on Declaration of Property, Bribery and Corruption.
- The Presidency can now extend time under tour programs for Tax Officers, without limitation. Previously, extensions for such temporary assignments were limited to ten days.
- Investigation reports issued on officials and other public officials will now be presented to the Presidency and the Presidency will present such reports to the Chief Public Prosecutor's Office. Previously, these were submitted directly to the Chief Public Prosecutor's Office.
- Audits of chambers and unions can now be conducted within the scope of Accountant and Financial Advisor and Certified Accountant Law numbered 3568. Chamber and Union Audit Report will be issued and presented to the Presidency.

Notable amendments for tax inspection processes include:

- Tax inspections will now be conducted solely depending on the subject and period indicated under the assignment notice. Any information or document which is not related to the investigation subject and period cannot be requested from the tax payers.
- The period given to tax payers for submitting books and document is clearly stated as minimum 15 days, whereas previously the duration was left to the Tax Administration's discretion.
- Tax inspection reports must now include alteration proposals if tax transactions must be altered due to an issue under dispute and determined by the authorized tax inspector.

Please see below links for the full text of the amending regulations (only available in Turkish)

- [Regulation Amending the Regulation on Establishment of the Report Evaluation Commissions and Operational Procedure and Principles](#)
- [Regulation Amending the Regulation on Tax Inspection Board](#)
- [Regulation Amending the Regulation on Procedure and Principles on Tax Inspections](#)

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