

Turkey Waives Stamp Tax on Certain Construction Sector Agreements, Plus Reduces Title Deed Fees and Government Deductions on Turkish Lira loans, Obtained from Abroad

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Turkey has made a range of changes to taxes and fees. Stamp waiver is now waived for certain construction-related agreements and title deed fees are reduced until September 2017. Repayment rates for the Resource Utilization Support Fund have been reduced for Turkish Lira loans, obtained from abroad by Turkish residents.

Decision number 2017/9973 dated 13 March 2017 ("**Decision**") was published in Official Gazette number 30008 on 15 March 2017.

Stamp Tax Waiver for Certain Agreements

From 15 March 2017, the following agreements are exempt from stamp tax in Turkey:

- Construction agreements (in the statutory form) which outline flat or revenue sharing arrangements either generally, or between contractors and subcontractors.
- Consultancy agreements regarding construction projects, in return for flat or revenue sharing.
- Service agreements for building inspections.

Title Deed Fees Reduced Until September 2017

Until 30 September 2017, the title deed fee collected on the transactions at the rate of estate tax are reduced from 2% to 1.5% for residences and workplaces. Eligible transactions are specified in Tariff Number 4, Article 20(a), Annexed to the Act of Fees Number 492.

Payment Rates to the Resource Utilization Support Fund Reduced

The Resource Utilization Support Fund ("**Support Fund**") is a deduction which applies to Turkish Lira loans, obtained from abroad by Turkish persons.

Repayment rates to the Support Fund have been amended for Turkish Lira loans provided to Turkish residents from abroad depending on the term of the loan. The changes do not include fiduciary transactions, nor loans by banks or finance companies.

The revised repayment terms are:

- Loans up to one year: Reduced from 3% to 1%.
- Loans between one and two years:
 - First year: Reduced from 1% to 0%.
 - Second year: Reduced from 0.5% to 0%.

Please see the [link](#) for the full text of the Decision (only available in Turkish).

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