

Turkish Parliament Considers Legislative Regime for Crowdfunding

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Turkey's parliament is considering a new legislative regime focused on crowdfunding. It is the first time that crowdfunding structures receive specific attention from Turkish legislators. The proposed regime includes definitions, licensing aspects, as well as the roles of various regulators.

Notable aspects of the proposed regime include:

- Defining crowdfunding as the collection of money from the public, in order to provide funds for a project or an entrepreneur's needs, within the principles determined by the Capital Market Board ("**Board**").
- Crowdfunding platforms are defined as the institutions performing electronic mediation activities for crowdfunding.
- Crowdfunding platforms will be required to obtain a license from the Board.
- The Board will determine procedures and principles for the crowdfunding system and platforms via additional regulations announced at a later date.
- The Board will be entitled to take measures and cancel platform licenses in certain circumstances.
- The Information Technologies and Communications Authority will be entitled to block websites at the Board's request, if the Board determines that:
 - Crowdfunding activity is being performed without license, or
 - A Turkish resident performs a derivative transaction as leveraged transaction outside Turkey.

Please see Articles 109-113 of the Draft of Amendment to the Tax Laws and Decree Laws Including Crowdfunding Regulations at this [link](#), submitted to parliament on 27 September 2017 (only available in Turkish).

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