

DEVELOPMENTS IN TAX LEGISLATION

24.07.2025

Law No. 7555 on the Amendment of the Law on the Protection of the Value of Turkish Currency and Certain Laws published in the Official Gazette dated 24.07.2025 amended the Tax Procedure Law, VAT Law, Special Consumption Tax Law, Corporate Tax Law, and some other laws.

The amendments to tax laws made by the Law are listed below:

- 1- With the amendment made to Article 131 of the Tax Procedure Law; In cases where the inspection minute is issued electronically in a way to include coordinate-based location information and photographs, the requirement to seek the signature of the police or local authority on the minute, which comes to the fore if the taxpayer or its authorized person is not present during the inspection or hesitates from signing, has been abolished.
- 2- With the amendment made to the additional Article 13 of the Tax Procedure Law, the upper limit of overtime pay for the personnel of the provincial organization of the Revenue Administration, who take part in tax audits outside of working hours outside the office, has been increased.
- 3- With the amendment made to Article 13 of the Value Added Tax Law, VAT exemption has been introduced for the delivery of passenger cars used for freight transportation and whose maximum weight does not exceed 3.5 tons and whose passenger carrying capacity is below 50% of the capacity limit to the Ministry of National Defense, the Ministry of Interior, the Presidency of Defense Industry and the Presidency of the National Intelligence Organization.
- 4- With the amendment made to Article 17 of the Value Added Tax Law, sales of immovable properties owned by foundations were exempted from VAT.
- 5- With the amendment made to Article 21 of the Value Added Tax Law, the SCT calculated and secured on the import of the goods (fuel products) included in the list (I) annexed to the SCT Law was included in the VAT base.
- 6- With the amendment made to Article 21 of the Organized Industrial Zones Law, it was clarified that the loans used by the legal entity of the Organized Industrial Zones from banks are not exempt from bank and insurance transactions tax.
- 7- With the amendment made to the provisional Article 2 of the Technology Development Zones Law No. 4691, the income tax withholding support provided to R&D, design and certain support personnel working in technology development zones was limited to forty times the gross amount of the minimum wage.

- 8- With the amendment made to Article 7 titled “Other exemptions” of the Special Consumption Tax Law, special consumption tax exemption was introduced for the first acquisition of vehicles with a domestic content rate of at least 40% and passenger cars, trucks, vans, off-road vehicles and motorcycles that are used for freight transportation and whose maximum weight does not exceed 3.5 tons and whose passenger carrying capacity is below 50% of the capacity limit, for the purposes of national defense and internal security by national security institutions.
- 9- With the amendment made to Article 12 of the Special Consumption Tax Law, the President was authorized to set different SCT rates for passenger cars based on engine cylinder volume, range and battery capacity.
- 10- With the amendment made in the list numbered (II) attached to the SCT Law, the President was authorized to determine different SCT rates for passenger cars in terms of engine cylinder volume, range and battery capacity.
- 11- With the amendment made in Article 5 of the Law No. 5307 on the Amendment of the Law on Liquefied Petroleum Gases (LPG) Market Law and Electricity Market Law, For those operating in the LPG sector, a ban on the sale of LPG supplied from one distributor to another distributor has been introduced.
- 12- With the amendment made to Article 32/A of the Corporate Tax Law, a limitation was introduced for the application of the discounted corporate tax in investments with incentive certificates for a maximum of ten accounting periods starting from the first accounting period in which the discount right can be used and the corporate tax discount rate was determined as 60%.
- 13- With the amendment made to Article 3 of the Law No. 5746 on Supporting Research, Development and Design Activities, income tax withholding support within the scope of the incentive provided for the wages paid to R&D, design and support personnel at a certain rate was limited to forty times the gross minimum wage.
- 14- With the amendment made to Provisional Article 1 of the Law No. 6550 on the Support of Research Infrastructures, the amount of income tax withholding provided in favor of the employer to R&D, design and support personnel working in research infrastructures was limited to forty times the gross minimum wage.

Mustafa Bulut

Partner, Sworn in CPA, Chief Auditor

ECOVIS DİPLOMAT Denetim ve Yeminli Mali Müşavirlik A.Ş.