



TAX BULLETIN 03-09

With the cabinet decision numbered 2009/14812, VAT rate for several properties has been reduced temporarily from 18 % to 8

Place of business is among the list set out in the decree specifying properties that VAT reduction is to be applied temporarily. **Place of business** may be either independent section or self-building. It is also stated that the place of business mentioned in decree may be either new or old.

Explanations are not clear enough to specify whether the building or independent section is a place of business or resident.

In order to accept a real estate as a resident in practice, it should be stated in construction permit that property will be used for residential purpose.

Another important issue in this matter is that VAT refund claim will not be possible by business owners.

Some machinery, equipment, computer and furniture

The list of machinery, equipment, computer and furniture to be sold with 8 % VAT rate between the dates 30.03.2009-30.06.2009, is shown in accordance with their Custom Statistics Tariff Numbers in attached document to the decree numbered 2009/14812. As the list items are numerous, in order to define furniture, equipment and computers to be subject to 8 % VAT, one should review the list.

Unlike the sales of business places, VAT refund is possible for sales of machinery, equipment, computer and furniture.



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On the other hand, it is announced in the decree numbered 14813 that the title deed fees applied in real estate transfer and acquisition has been reduced from % 015 to % 005

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