



TAX BULLETIN 09-09

SUBJECT: Changes at Vat and Special Consumption Tax (SCT) Rates

Vat and SCT rates to be applied to some goods have been restated by the Cabinet Decree numbered 2009/15081 and published on the Official Gazette dated 16th of June ,2009 and numbered 27260

Amendments brought by the decree can be summarized as below:

1-Changes at VAT Rates:

Effective from 1st of July, 2009 to 30th of September, 2009, sales of goods in the first list attached to the decree (furniture, computer, calculator etc) are subject to vat at % 8.

As is known, sales of some goods listed in this new decree are taxed at % 8, reduced rate effective till 30.06.2009.This reduced rate application will go on up until 30.09.2009. But, the vat refund claim is not possible for the input vat paid at the purchasing stage of these goods .

Reduced VAT rate application has not been extended for building or Office sales. In other words, effective from 01.07.2009, buildings or Office sales are subject to VAT at % 18.

On the other hand, reduced vat rate application for dwellings whose net area is more than 150 m2 is over as of 15 June 2009.

2-Changes on SCT Rates:

As is known, by the Cabinet Decree numbered 2009/14802, issued on the Official Gazette dated 16.03.2009,

-SCT rates for some vehicles in the second list attached to Special Consumption Tax Code, SCT rates have been reduced up until to 15 June 2009

-For some of goods in the second list like washing machine, vacuum cleaner etc, SCT rates have been stated as zero until 15.06.2009.



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This time, by the Cabinet Decree numbered 2009/15081 and effective from 16 June 2009 to 30 September 2009,

-for some vehicles in the third list, SCT rates have been restated as is shown in the second column attached to the Decree.

-for the goods shown on the third list attached to the decree, SCT rates have been stated as 2 %.

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