



***MONTHLY BULLETIN
SEPTEMBER-OCTOBER, 2019***

Our monthly law bulletin contains practical information for companies, amendments in our legislation, current case law and sectoral regulations.

We wish that our Monthly Bulletins will be beneficial to you.

I. Announcements

150.000 TL of Demand Deposit Accounts Are Under the Guarantee of the Savings Deposit and Insurance Fund

The Regulation on Premiums to be Collected by the Insurance Deposits and Participation Funds and Savings Deposits Insurance Fund was amended. With the current regulation, 150.000 TL of demand deposit accounts are under the guarantee of the Savings Deposit and Insurance Fund. The related amendment was published in the Official Gazette dated 25 September 2019 and numbered 30899. The amount covered by insurance before the change was 100.000 TL.



Maximum Interest Rates for Credit Card Transactions

The Central Bank of the Republic of Turkey has decreased maximum interest rates for credit card transactions, allowing banks to charge lower interest rates. From 1 October 2019, the maximum contractual interest rate for credit card transactions in Turkish Lira decreases from 2.00% to 1.60%, as well as for foreign currency credit card transactions from 1.60% to 1.28%. The Amendment to the Communiqué Regarding Maximum

Interest Rates Applied to Credit Card Transactions was published in Official Gazette number 33090 on 8 September 2019.



Monthly Delay Interest Rate For Public Receivables

The Presidential Decree published in the Official Gazette dated 29 June 2019 and numbered 30816 has decreased the monthly delay interest rate for public receivables from 2.5% to 2% to effective as of 2 October 2019.



The Communiques Expanding the Scope of Compulsory Taxpayers in E-Ledger and E-Notification Applications

1. The Communiqué on the Amendment to the General Communiqué on Electronic Ledgers

The Communiqué on the Amendment to the General Communiqué on Electronic Ledgers was published in the Official Gazette dated 19 October 2019 and numbered 30923. In the communiqué that came into force on the date of its publication, it is regulated that taxpayers, who have to switch to e-Invoice application, also have to switch to e-ledger application. These taxpayers will arrange, keep and submit their bills and books electronically instead of written form except for force majeure. Taxpayers with a turnover exceeding 5 million TL in 2018 or later years, must switch to e-invoice until 01.07.2020 and e-ledger application until 01.01.2021.

2. The Communiqué (No: 511) on the Amendment to the Tax Procedural Law General Communiqué (No: 456)

The Communiqué (No: 511) on the Amendment to the Tax Procedural Law General Communiqué (No: 456) was published in the Official Gazette dated 19 October 2019 and numbered 30923. The income taxpayers whose commercial, agricultural and professional earnings are taxpayed (except those whose earnings are determined in a simple method and farmers who are not subject to real taxation system) have been included in the electronic notification system as of 01.01.2020.

II. Amendments

The First Package of the Judicial Reform Strategy Document

The first package of the Judicial Reform Strategy Document was published in the Official Gazette dated 24 October 2019 and numbered 30928 and entered into force. The package includes arrangements in many titles such as Entrance Exam for Legal Professions, freedom of expression, length of detention, accelerated procedure of trial and simple trial procedures.

It is regulated that the candidate student should be in the first 125 thousand in YKS (Higher Education Institutions Exam) when entering the law faculties. Legal Professions Exam to be a lawyer has been brought. The Accelerated Trial Procedure and The Simple Trial Procedure have been introduced to the criminal justice system.

It is also regulated that lawyers with 15 years of experience in the profession can obtain a specially stamped passport (green passport), including their spouse and children.

In the decision to block access to websites, block will be imposed on a specific URL, not the entire website.

In the investigation phase, it was regulated that the period of detention cannot exceed 6 months for crimes that are not included in the heavy penal courts and 1 year for crimes that fall under the heavy penal courts.



Support of Local Content of Renewable Energy Electricity Generation Facilities

The Regulation Amending the Regulation on the Support of Local Content of Renewable Energy Electricity Generation Facilities was published in the Official Gazette dated 20 September 2019 and numbered 30894. The Regulation amends the certification procedure for wind power plants and the local content bonus payments.

It is regulated that the applicant whose type certification process has not been completed, can apply for local content bonus payments. Applicants will be able to apply for the final Certificate of Conformity Certificate from TSE after the completion of their respective certificates, no later than 18 months after the date of application.



Communiqué on Compliance with Islamic Banking Principles and Standards

The Communiqué on Compliance with the Principles and Standards of Islamic Banking was published in the Official Gazette dated 14 September 2019 and numbered 30888 and entered into force. The main purpose of the Communiqué is that the development and investment banks operate in accordance with the principles and standards of interest-free banking, and to regulate the procedures and principles regarding the structures and processes that the banks will create.

Two Important Communiqués for the Technology Focused Industry Move Program

The Technology Focused Industry Move Program aims to increase the production and the development of high-quality products in medium-high and high-tech value-added sector in Turkey. The program is carried out by the Ministry. Two important communiqués regarding this program were published in the Official Gazette on September 18, 2019. The first communique contains regulations for the implementation of the program. In the other communiqué, there are priority product lists within the scope of the program and incentives.



The Communiqué on Equity Crowdfunding

The Communiqué on Equity Crowdfunding is issued in the Official Gazette dated 03 October 2019 and numbered 30907 by the Capital Markets Board of Turkey has entered into force by the date of its publication. The purpose of the Communiqué is to encourage investment in start-ups through crowdfunding. The procedures and principles regarding equity crowdfunding and the activities of crowdfunding platforms are regulated under this Communiqué. The Communiqué is a significant step for entrepreneurs who need funding.

III. Decisions

Minimum Elements that Should be Included in the Communication of the Breach by the Data Controller

The Personal Data Protection Board, in its decision dated 18.09.2019 and numbered 2019/271, regulated the minimum elements that should be included in the

communication of the breach. The communication of the breach should include at least:

- Time of the breach occurred,
- Categories of personal data that are affected by the breach,
- Possible consequences of the breach,
- Measures that have been taken,
- The contact ways to get more information.

IV. News

Economic and Financial Cooperation Agreement between the Turkish Republic of Northern Cyprus and Turkey

Signed on 20 July 2019, the Economic and Financial Cooperation Agreement between the Government of the Republic of Turkey and the Turkish Republic of Northern Cyprus was approved. The agreement was published in the Official Gazette No. 30887 dated 09/13/2019. The government of Turkey grants 750 million TL and assistance through public servants in the areas of need.



Private Pension Regulatory And Supervisory Authority

As an umbrella organization, the Insurance and Private Pension Regulatory and Supervisory Authority has been established to carry out duties for the regulation and supervision of the insurance and private pension sectors. The duties, powers, and responsibilities of the institution are regulated in the relevant Presidential Decree. The decree was published in the Official Gazette dated 18 October 2019 and numbered 30922 and entered into force.

The institution, whose headquarters is in Istanbul, will prepare, implement legislation for insurance and private pensions, and monitor and direct various practices. Issues such as private pensions, agriculture, and disaster insurances will also be regulated and supervised by the institution.



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