



Turkish Tax Desk

Focal Tax point for Turkish businesses investing in the Middle East region

About the Deloitte Turkish Tax Desk

The Turkish Tax Desk is formed by a group of subject matter experts uniquely positioned to support Turkish-based businesses with operations or investments in the Middle East region.

The aim is to provide businesses with a single point of contact for managing their Tax affairs across the region. Deloitte offers businesses flexible solutions whilst deploying a strong network of practitioners and affiliates established in the Middle East, across more

Core team

We have a highly accomplished and experienced team based regionally with a demonstrated record of achievements in delivering full-fledged Tax services to Turkish businesses in coordination with a strong Deloitte network.

Amongst our multilingual Tax team, we have native Turkish speakers who have extensive knowledge of the Turkish taxation system. These experts have also managed large-scale projects in various locations across the Middle East.

By harnessing the expertise we have gained through working with Turkish businesses, our experts will be able to add value to your investment and operations in the Middle East.

Our expertise and credentials

We have put together a team of highly experienced individuals, each specialized in their own respective fields, that have a thorough understanding of the Tax industry. Amongst the team, we have Turkish Tax advisors who have dealt with numerous Direct and Indirect Tax and Transfer Pricing (TP) matters and have advised many multinationals located across Turkey, Europe, and currently the Middle East region.

It is common for our clients to operate in diversified business groups. As such, working across a range of industry verticals, our approach is to bring subject matter experts to the forefront in order to support the engagement teams in delivering Tax support catered to their requirements, whilst appreciating the preferred way of doing business in Turkey.







To support our clients in navigating the rapidly developing Middle East Tax landscape, we have developed a number of service offerings to support our clients across their Tax advisory needs.



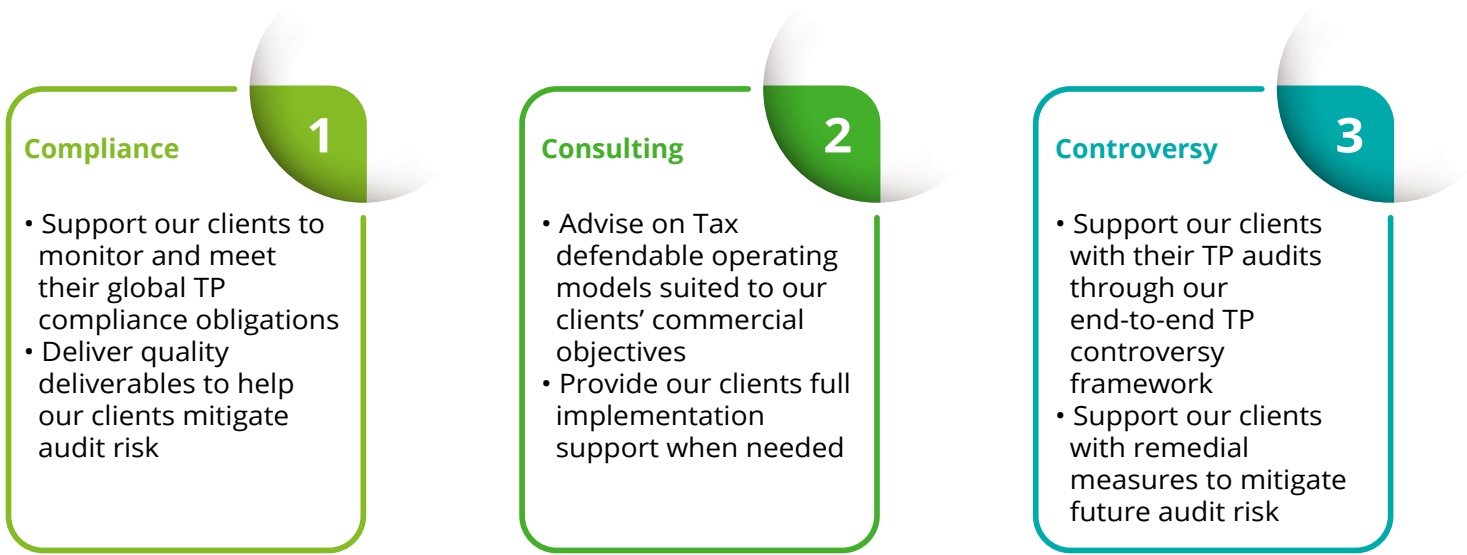
Our Tax services

Our Turkish Tax Desk based in Dubai offers a wide range of Tax services, including the below:

International and Mergers & Acquisitions (M&A) Tax services

	<p>Tax advisory</p> <p>Whether you have just set foot in the Middle East or have existing operations in the region, Deloitte can offer Tax advisory solutions that suit your requirements. Our services include:</p> <ul style="list-style-type: none">• Tax and investment advice on entry into the Middle East• Multijurisdictional Tax advice in conjunction with the Turkish legislation• Advice on specific Tax issues your business may be facing in the Middle East
	<p>Tax compliance</p> <p>Deloitte uses a coordinated model where compliance services are delivered to each entity by a local team of experts. These teams will provide control and visibility to your Middle East based group over their compliance position.</p>
	<p>Support with Tax audit</p> <p>We support our clients with Tax audits and disputes in the Middle East. Our offerings include:</p> <ul style="list-style-type: none">• Drafting required communications to the Tax Authorities• Providing technical Tax support in order to develop arguments that withstand the Tax Authorities enquiries• Regularly interacting with the Tax Authority in order to help resolve Tax disputes• Leveraging the experience of our local offices when dealing with Tax disputes
	<p>Tax modeling</p> <ul style="list-style-type: none">• Providing bespoke support to your project including reviewing the key Tax assumptions contained in your financial model from a Tax perspective• Assisting with modeling the Tax implications in the financial model of your proposed project• Undertaking an analysis of the Tax exemptions/concessions which could be relevant to your project, as well as the Tax credits that may impact your financial model
	<p>Tax due diligence</p> <p>Deloitte will help assist your business with the Tax due diligence process in the context of M&A transactions in Middle East by:</p> <ul style="list-style-type: none">• Identifying historical Tax risks and potential exposures• Assessing the Tax risk quantum and the likelihood of occurrence• Providing recommendations on how to deal with the Tax findings in the valuation/sale and purchase agreement and/or post-closing
	<p>Tax structuring</p> <p>Deloitte will help you identify an efficient Tax structure for your Turkish operations that is commercially and legally feasible and will accommodate future investments or potential acquisitions. A suitable structure should be robust in order to withstand any regulatory requirements including base erosion and profit shifting (BEPS) and achieve the following objectives:</p> <ul style="list-style-type: none">• Straightforward implementation• Tax efficient repatriation of profits• A Tax efficient future exit

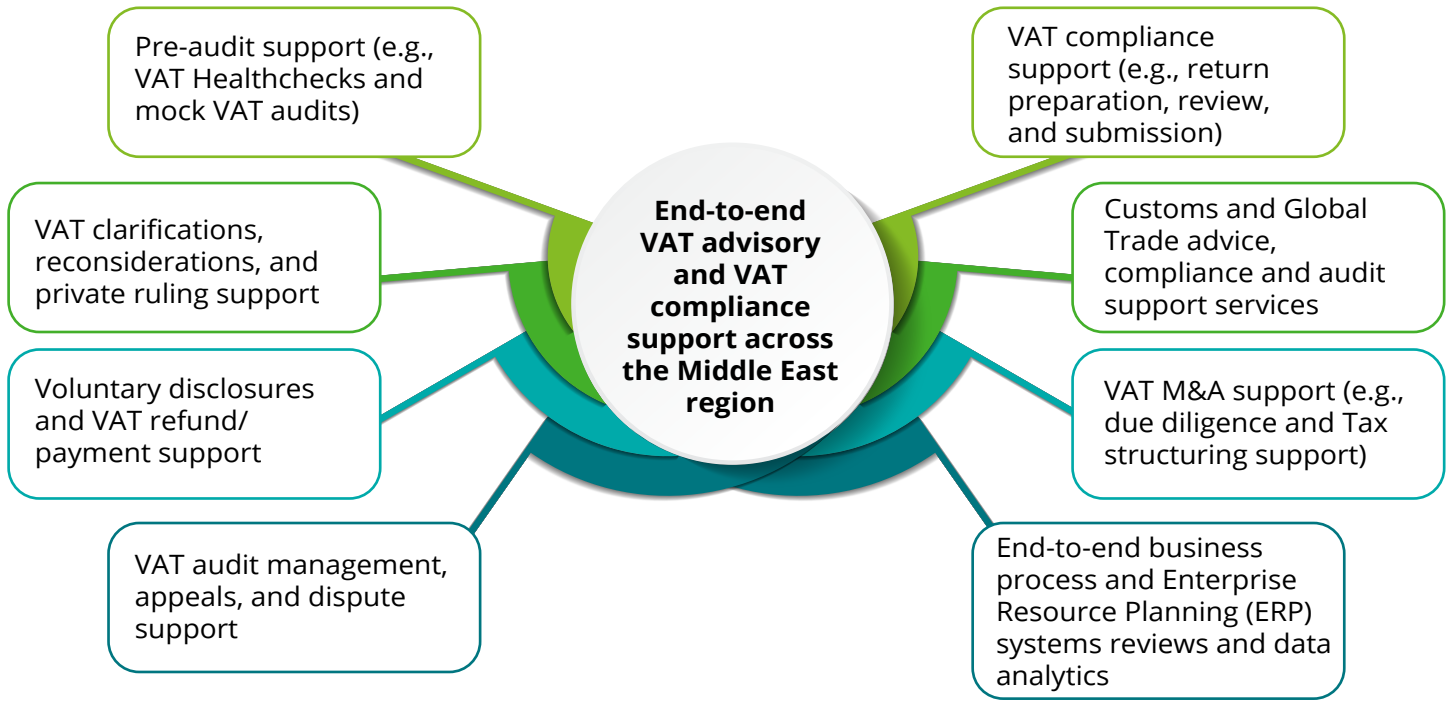
Transfer Pricing (TP) services



Indirect Tax services

Our Indirect Tax team in the Middle East are market leaders in providing Value Added Tax (VAT), Excise Tax and Customs support to our clients. Our team is organized by industry-specialist groups, so that we can bring a breadth and depth of Indirect Tax knowledge to our clients.

To help support our clients navigate the Middle East Indirect Tax landscape, we have developed a number of service offerings to assist with their Indirect Tax advisory needs:



Key developments in the region that Turkish businesses should be aware of

The introduction of e-Invoicing in Saudi Arabia	On 4 December 2020, the General Authority of Zakat and Tax (GAZT) issued the final electronic invoicing (e-Invoicing) regulations in Arabic, which highlight that it will be mandatory for resident taxpayers to be fully equipped to issue, save, and modify e-Invoices by 4 December 2021.
Merging of the Tax Authority in Saudi Arabia with the Customs Authority	In May of 2021, the GAZT merged with the General Authority of Customs to create the Zakat, Tax and Customs Authority (ZATCA).
BEPS Two Pillar Solution	On 20 December 2021, the G20/Organisation for Economic Co-operation and Development (OECD) Inclusive Framework on BEPS published Pillar Two global minimum tax model rules. This follows on from a statement on a two-pillar solution to address tax challenges arising from the digitalization of the economy, agreed by more than 135 members on 8 October 2021. It is expected that the G20/OECD Inclusive Framework will also publish model rules for Pillar One.
The introduction of Corporate Tax in the UAE	On 31 January 2022, the Ministry of Finance (MoF) announced that the United Arab Emirates (UAE) will introduce a Federal Corporate Tax (CT) on business profits that will be effective for financial years starting on or after 1 June 2023. Whilst the law has not yet been issued, the UAE Federal Tax Authority (FTA) has publicly communicated the key design principle and policy choices of the new regime. The introduction of the CT regime in the UAE also covers TP regulations to allocate profits based on the arm's length principle (i.e., in line with the OECD TP guidelines).
Increasing activity from Tax Authorities	The introduction of CT and TP regulations may result in increased activity from the Tax Authorities in terms of assessments and challenges, as we have seen in other Middle East countries who have introduced CT and TP rules. Therefore, it is essential to proactively prepare for any challenges that may arise.

Contacts

The Deloitte Turkish Tax Desk based in Dubai has a growing team of Tax specialists, please see below.

Turkish Tax Lead



Brisida Acar
Senior Manager
International Tax
briaacar@deloitte.com



Renan Öztürk
Senior Manager
Indirect Tax
reozturk@deloitte.com



Ahmet Celiktaş
Senior Manager
Transfer Pricing
ahceliktaş@deloitte.com

Middle East Lead



Fernand Rutten
ME Foreign Tax
Desks Leader
frutten@deloitte.com



Muhammad Bahemia
ME Business Tax
Leader
mbahemia@deloitte.com



Alex Law
ME International and
M&A Tax Leader
alexlaw@deloitte.com



Mark Junkin
ME Indirect Tax
Leader
majunkin@deloitte.com



Mohamed Serokh
ME Transfer Pricing
Leader
mserokh@deloitte.com



Marjolein van Delft
ME Tax Management
Consulting Leader
marvandelft@deloitte.com

This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication.

Deloitte & Touche (M.E.) LLP ("DME") is the affiliate for the territories of the Middle East and Cyprus of Deloitte NSE LLP ("NSE"), a UK limited liability partnership and member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee "DTTL").

Deloitte refers to one or more of DTTL, its global network of member firms, and their related entities. DTTL (also referred to as "Deloitte Global") and each of its member firms are legally separate and independent entities. DTTL, NSE and DME do not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, Tax and related services. Our network of member firms in more than 150 countries and territories, serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 300,000 people make an impact that matters at www.deloitte.com.

DME would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. DME accepts no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

DME is a leading professional services firm established in the Middle East region with uninterrupted presence since 1926. DMEs presence in the Middle East region is established through its affiliated independent legal entities, which are licensed to operate and to provide services under the applicable laws and regulations of the relevant country.

DME's affiliates and related entities cannot oblige each other and/or DME and when providing services, each affiliate and related entity engages directly and independently with its own clients and shall only be liable for its own acts or omissions and not those of any other affiliate DME provides audit and assurance, consulting, financial advisory risk advisory and Tax, services through 26 offices in 14 countries with more than 5,000 partners, directors and staff.

© 2022 Deloitte & Touche (M.E.). All rights reserved.