## Featured government incentives

<table>
<thead>
<tr>
<th>Incentive name</th>
<th>Description</th>
<th>Maximum percentage</th>
<th>Qualification standards</th>
<th>Key exclusions or issues</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research and development (R&amp;D) tax credit</strong></td>
<td>All innovation and R&amp;D expenditure incurred by qualifying companies is fully deductible in calculating the corporate income tax liability</td>
<td>100% normal deduction and 150% super deduction</td>
<td>Raw materials, depreciation, personnel expenses, general expenditure</td>
<td>Marketing activities, quality control expenses, exploration and drilling activities in petroleum and mining sectors</td>
</tr>
<tr>
<td><strong>Technology development zones (TDZs)</strong></td>
<td>Operations in a TDZ are exempt from corporate income tax, VAT, and stamp duty; income tax exemptions are available for employees of companies in TDZs</td>
<td>100% exemption</td>
<td>All types of expenditure, particularly for software activities</td>
<td>Losses incurred on the project may not be deducted from other income of the company</td>
</tr>
<tr>
<td><strong>Investment incentive program</strong></td>
<td>Intended to encourage investments in three investment incentive schemes (general, regional, and strategic) that may provide: a VAT refund or exemption, customs duty exemption, reduced corporate income tax rate, social security premium (SSP) support, reduced income tax withholding rates, government contribution to interest payments</td>
<td>Varies, depending on the investment incentive certificate (IIC)</td>
<td>Varies, depending on the IIC</td>
<td>To benefit from the incentives, investors must obtain an IIC from the Ministry of Economy</td>
</tr>
</tbody>
</table>

## Industries most often affected by government incentives in country

<table>
<thead>
<tr>
<th>Technology, Media &amp; Telecom</th>
<th>Financial Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecom, Media &amp; Entertainment</td>
<td>Banking &amp; Capital Markets</td>
</tr>
<tr>
<td>Technology</td>
<td>Insurance</td>
</tr>
<tr>
<td>Consumer Products</td>
<td>Investment Management</td>
</tr>
<tr>
<td>Retail, Wholesale &amp; Distribution</td>
<td>Real Estate</td>
</tr>
<tr>
<td>Automotive</td>
<td>Life Sciences &amp; Health Care</td>
</tr>
<tr>
<td>Transportation, Hospitality &amp; Services</td>
<td>Health Care</td>
</tr>
<tr>
<td>Energy, Resources &amp; Industrial</td>
<td>Life Sciences</td>
</tr>
<tr>
<td>Power &amp; Utilities</td>
<td>Government &amp; Public Services</td>
</tr>
<tr>
<td>Mining &amp; Metals</td>
<td>Defense, Security &amp; Justice</td>
</tr>
<tr>
<td>Oil, Gas, &amp; Chemicals</td>
<td>Civil Government</td>
</tr>
<tr>
<td>Industrial Products &amp; Construction</td>
<td>International Donor Organizations</td>
</tr>
</tbody>
</table>

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**Turkey**

What’s new?

Summary of updates/Changes to R&D and government incentives from 1 January 2019 through 31 October 2020

The duration of investment incentive certificates (IICs) issued prior to 11 March 2020 and valid after that date for investments that could not be finalized owing to natural or biological disasters (such as earthquakes and epidemics), may be extended for up to one year upon request.

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## Survey of Global Investment and Innovation Incentives | Turkey

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</tr>
</tbody>
</table>

### Innovation

<table>
<thead>
<tr>
<th>Type</th>
<th>National incentive?</th>
<th>State, provincial, regional or local incentives?</th>
<th>Filing deadlines imposed?</th>
<th>Is the claim made in advance or arrears?</th>
<th>Nature of incentive</th>
<th>Maximum benefit available to large enterprises</th>
<th>Maximum benefit available to small and medium-sized enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research &amp; development (R&amp;D)</strong></td>
<td>National: Arrears</td>
<td>Local: Not applicable</td>
<td>National: Arrears</td>
<td></td>
<td>100% corporate income tax deduction for eligible costs incurred by companies in all industries on qualifying R&amp;D and design projects, plus 150% incremental super deduction. Qualifying research expenses (QRE) include direct costs for materials; salaries and wages; outsourced services; and duties, taxes, and levies on R&amp;D-related activities</td>
<td>150% incremental super deduction, exemption from withholding tax, 50% reduction in employer social security premiums (SSPs), stamp tax exemption, and additional five-year depreciation of total QRE</td>
<td>150% incremental super deduction, exemption from withholding tax, 50% reduction in employer SSPs, stamp tax exemption, and additional five-year depreciation of total QRE</td>
</tr>
<tr>
<td><strong>Patent box</strong></td>
<td>National: Arrears</td>
<td>Local: Not applicable</td>
<td>National: Arrears</td>
<td></td>
<td>Corporate income tax exemption for 50% of income from inventions and software development attributable to R&amp;D performed in Turkey. Exemption applies to income derived from leasing, transferring, or selling the invention or software, as well as income attributable to the sale of products mass produced in Turkey using technology developed through application of the invention</td>
<td>50% of qualifying income is exempt from corporate income tax</td>
<td>50% of qualifying income is exempt from corporate income tax</td>
</tr>
<tr>
<td><strong>R&amp;D grant (national or EU)</strong></td>
<td>National: Arrears</td>
<td>Local: Not applicable</td>
<td>National: Arrears</td>
<td></td>
<td>1. The Scientific and Technological Research Council of Turkey (TUBITAK) provides grants for R&amp;D-related-project expenses (e.g., raw materials and supplies, personnel expenses, certain special machine and equipment costs, and general expenses)</td>
<td>1. Up to 60% of qualifying expenditure</td>
<td>1. Up to 60% of qualifying expenditure</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. Grants and interest-free loans are available from the Turkish Technology Development Foundation (TTGV) and other related institutions</td>
<td>2. Varies</td>
<td>2. Varies</td>
</tr>
</tbody>
</table>

**Key:**
- **= PERMANENT INCENTIVE**
- **= TEMPORARY INCENTIVE**
- |||| = NEGOTIABLE
- **= NO**
- **= LIMITED APPLICABILITY**
- **= NOT APPLICABLE**

**Notes:**
1. Green means that this incentive is currently in effect. Yellow means that the incentive has limited applicability, i.e., the requirements for this incentive limit its value to most companies. Red means that there is no incentive.
2. If the response is advance, this means that the government must approve the award of the incentive prior to the commencement/completion of the project/activity. If the response is arrears, this means that the award of the incentive is determined at the end of the tax period or after the completion of the qualifying project or activity. Most tax incentives are considered to be claimed in arrears because they are reported on tax returns.
# Turkey

## Contacts

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<tr>
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## Survey of Global Investment and Innovation Incentives

<table>
<thead>
<tr>
<th>Type</th>
<th>National Incentive?</th>
<th>State, Provincial, Regional or Local Incentives?</th>
<th>Filing Deadlines Imposed?</th>
<th>Is the Claim Made in Advance or Arrears?</th>
<th>Nature of Incentive</th>
<th>Maximum Benefit Available to Large Enterprises</th>
<th>Maximum Benefit Available to Small and Medium-Sized Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>VAT and customs duty exemptions on machinery and equipment purchases for companies who obtain an Investment Incentive Certificate (IIC)</td>
<td>Varies</td>
<td>Varies</td>
</tr>
<tr>
<td>Capex</td>
<td></td>
<td>National: Arrears</td>
<td></td>
<td></td>
<td>1. Exemption from individual income tax on wages of employees in respect of new employment generated via investment in certain regions</td>
<td>1. Varies based on amount of new investment</td>
<td>1. Varies based on amount of new investment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local: Not applicable</td>
<td></td>
<td></td>
<td>2. Exemption from individual income tax on wages of employees of companies operating in technology development zones (TDZs) and manufacturing zones</td>
<td>2. 100% of wages</td>
<td>2. 100% of wages</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td></td>
<td>National: Arrears</td>
<td></td>
<td></td>
<td>Wide range of incentives for qualifying investors with an IIC including: VAT refund or exemption, customs duty exemption, reduced corporate income tax rate, SSP support for employer’s and employees’ share, exemption from income tax withholding, interest rate support, exemption from income tax withholding on dividends, and land allocation</td>
<td>Varies depending on scheme</td>
<td>Varies depending on scheme</td>
</tr>
<tr>
<td>Investment incentive program</td>
<td></td>
<td>National: Arrears</td>
<td></td>
<td></td>
<td>100% exemption from corporate income tax, individual income tax, and VAT, plus government compensation for employer SSPs</td>
<td>100% exemption from corporate income tax, individual income tax, and VAT, plus government compensation for employer SSPs</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local: Not applicable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TDZs</td>
<td></td>
<td>National: Not applicable</td>
<td></td>
<td></td>
<td>Income and corporate income tax exemption for earnings of manufacturers attributable to sales of goods produced in manufacturing zones. Individual income tax exemption for wages of employees employed by manufacturers that export at least 85% of free on board value of the goods they produce in manufacturing zones</td>
<td>100% exemption from corporate income tax, individual income tax, and stamp duty</td>
<td>100% exemption from corporate income tax, individual income tax, and stamp duty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local: Arrears</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing zones</td>
<td></td>
<td>National: Not applicable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Key:**
- ☢️ = Permanent Incentive
- 🔐 = Temporary Incentive
- 🤝 = Negotiable
- ☢️ = No
- 📌 = Limited Applicability
- ☐️ = Not Applicable
## Turkey

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</tr>
</tbody>
</table>

### Investment (continued)

#### Export incentives

- **National:** Arrears
- **Local:** Not applicable

- **Nature of incentive:** Grants to reimburse certain expenses of exporters
- **Maximum benefit available to large enterprises:** 50% of expenses related to trade fair promotional activities, etc.
- **Maximum benefit available to small and medium-sized enterprises:** 50% of expenses related to trade fair promotional activities, etc.

#### Environmental sustainability

- **National:** Arrears
- **Local:** Not applicable

- **Nature of incentive:** Grants for companies that agree to reduce energy consumption, or promote recycling of waste energy
- **Maximum benefit available to large enterprises:** 30% of expenses incurred on qualifying projects
- **Maximum benefit available to small and medium-sized enterprises:** 30% of expenses incurred on qualifying projects

#### Renewable energy incentives

- **National:** Arrears
- **Local:** Not applicable

- **Nature of incentive:** Grants for investments in electricity production based on renewable energy sources
- **Maximum benefit available to large enterprises:** Varies
- **Maximum benefit available to small and medium-sized enterprises:** Varies

### Other

#### SME support

- **National:** Arrears
- **Local:** Not applicable

- **Nature of incentive:** Grants and interest-free loans for SMEs from the KOSGEB (SME Development Organization)
- **Maximum benefit available to large enterprises:** N/A
- **Maximum benefit available to small and medium-sized enterprises:** Grant of up to 90% of start-up expenses, plus interest-free loans

#### Agriculture and livestock incentives

- **National:** Arrears
- **Local:** Not applicable

- **Nature of incentive:** Grants for agricultural enterprises carrying out certain agricultural activities
- **Maximum benefit available to large enterprises:** Varies
- **Maximum benefit available to small and medium-sized enterprises:** Varies

#### Cultural incentives

- **National:** Arrears
- **Local:** Not applicable

- **Nature of incentive:** Payroll tax benefits for enterprises investing in culture
- **Maximum benefit available to large enterprises:** Varies
- **Maximum benefit available to small and medium-sized enterprises:** Varies

---

**Key:**

- ![PERMANENT INCENTIVE](image)
- ![TEMPORARY INCENTIVE](image)
- ![NEGOTIABLE](image)
- ![NO](image)
- ![LIMITED APPLICABILITY](image)
- ![NOT APPLICABLE](image)
Country background
The general corporate income tax rate in Turkey is 22% for 2020.

Innovation Incentives
Nature of incentives
Turkey offers several incentives related to R&D:

- A 100% deduction is allowed for eligible costs incurred in qualifying R&D and design projects. Qualifying R&D projects include activities undertaken to achieve technological innovation. Design projects were added to the scope of R&D incentives in 2016. Design activities include all activities that are intended “to create added-value and competitive advantage, and increase, improve, enhance, and differentiate the functionality of products.” An additional depreciation deduction is granted for successful research, under which the total qualifying research expenses (QRE) of successful R&D projects may be capitalized and depreciated over five years even though eligible R&D expenses already have been expensed. As a result, the depreciation deductions are an additional benefit for successful research.

- A super deduction is granted for incremental increases in QRE. If the qualifying expenses (R&D and design costs) are greater than in the prior year, an additional 50% deduction of the R&D expenditure increase over the prior year will be allowed. The super deduction will be available if the R&D or design center has at least a 20% increase over the previous year with respect to any of the following:
  - R&D and design expenditure in relation to total turnover;
  - Number of registered national or international patents;
  - Number of internationally supported projects;
  - Ratio of post-graduate degree researchers to total R&D personnel;
  - Ratio of all researchers to total R&D personnel; or
  - Ratio of the turnover obtained from new products emerging from an R&D project to total turnover.

- A reduction in income tax withholding on wages is granted for employees that conduct or support R&D and design activities. The exemption rates are: (i) 95% for personnel with a Ph.D., or a master's degree in fundamental sciences; (ii) 90% for personnel with a master’s degree, or an undergraduate degree (the latter must be in fundamental sciences); and (iii) 80% for all other personnel. The government will compensate 50% of the employer’s share of social security premiums (SSPs) through 31 December 2023.

- An exemption from stamp duty is granted for all documents prepared for R&D and design activities. Goods imported from abroad that are within the scope of R&D projects are exempt from customs duty, and mandatory contributions to importation funds (including the Resource Utilization Support Fund). Documents that are issued and procedures performed with respect to these goods imported from abroad are exempt from stamp duty and fees.

- Grants received from government entities, voluntary trusts, and international funds in support of R&D activities are not subject to income tax; instead, they are recorded in a special funds account that is an equity account.

- The Ministry of Science, Industry and Technology will compensate R&D and design centers for employees’ wages up to the portion corresponding to the gross monthly minimum wage for the first two years of employment provided the employees hold at least an undergraduate degree in fundamental sciences, and carry out qualifying research activities.

Eligible industries and qualifying costs
R&D tax incentives are available to all industries. Qualification is based solely on the nature of the activities conducted within Turkey. Activities undertaken to achieve technological innovation qualify for the incentives, but software activities are limited to new and original concepts. Personnel who perform design work and support R&D activities may qualify for R&D incentives as specified above.
R&D expenditure must be incurred within Turkey, and qualifying expenditure includes direct costs for materials; labor (salaries and wages); outsourced services; and duties, taxes, and levies on R&D-related activities (such as real estate tax on R&D land, or customs duty on imported R&D-related materials, etc.). Depreciation related to equipment and other assets used in research may qualify. Depreciation of machinery and equipment that is used solely in R&D or design activities is an eligible cost; if the machinery and equipment is used for both R&D/design and non-R&D/design activities, the eligible depreciation is proportionate to the number of days for which the equipment is used in R&D/design. Indirect costs incurred in the conduct of qualified research (e.g., public utility services; and expenses for transportation, communication, maintenance and repair, and insurance, etc.) are QRE. General and administrative expenses are excluded.

**IP and jurisdictional restrictions**

Tax incentives for R&D are available even where the research is unsuccessful, i.e., it does not result in IP. However, where IP results from qualifying R&D, it is not necessary for the Turkish company to own the IP.

**Other concerns**

R&D deductions may be carried forward indefinitely, but the amounts are limited under a complex formula contained in the Tax Procedure Law.

R&D activities must be certified by an appropriately qualified tax consultant, and a taxpayer that benefits from R&D deductions must provide a tax consultant’s report to its local tax office certifying that its R&D deductions are computed and applied correctly.

**Patent box**

Income from inventions and software development attributable to R&D performed in Turkey by corporate taxpayers is reduced by 50%. This includes income from leasing, transferring, or selling the invention or software, as well as income attributable to the sale of products that are mass produced in Turkey by using the technology developed through application of the invention. Qualifying income from leasing, transferring, and selling intangible rights arising from the R&D activity also qualifies for exemption from VAT.

Taxpayers may benefit from both the industrial property rights exemption, and the R&D exemption, but it is not possible to benefit from the technology development zone (TDZ) exemption, and industrial property rights exemption (patent box regime) in the same period.

**National R&D Grant Programs**

The Scientific and Technological Research Council of Turkey (TUBITAK) provides grants for R&D-related-project expenses (e.g., raw material expenses, supplies expenses, R&D-related personnel expenses, certain special machine and equipment costs, and general expenses). The grant can be awarded in amounts that cover up to 60% of the QRE. There are many R&D support programs and different implementation standards. Grants and interest-free loans are available from the Turkish Technology Development Foundation (TTGV), and other related institutions.

**Investment incentives**

**Investment incentive program**

This program is intended to encourage investments in three schemes (General Investment Incentive Scheme, Regional Investment Incentive Scheme, and Strategic Investment Incentive Scheme). To benefit from the incentives, investors must obtain an investment incentive certificate (IIC) from the relevant ministry, valid for the investment period shown on the certificate. Full details are available from the Presidency of the Republic of Turkey Investment Office website.

The following incentives may be available, depending on the specific scheme:

- VAT refund or exemption;
- Customs duty exemption;
- Reduced corporate income tax rate (see below);
- Social security premium (SSP) support for both the employer’s and employees’ share;
- Exemption from income tax withholding (for investors in region six for a 10-year period. Region six comprises Adıyaman, Ağrı, Ardahan, Batman, Bingöl, Bitlis, Bozcaada, Diyarbakır, Gökçeada, Hakkâri, Iğdır, Kars, Mardin, Muş, Siirt, Şanlıurfa, Şırnak, and Van);
- Interest rate support: The Ministry of Economy will pay a portion of the interest/profit share on loans taken out to finance the investment with a term of at least one year and that do not exceed 70% of the fixed investment amount registered on the IIC;
• Exemption from income tax withholding on dividends (for investors in region six for a 10-year period); and

• Land allocation: Government land is allocated by the Ministry of Finance for investments granted IICs and within the scope of the Strategic or Regional Investment Incentive Schemes, depending on the availability of land in the provinces where investments are made, and in accordance with the rules and principles defined by legislation and the ministry. Only investments that qualify for a reduced corporate income tax rate are eligible for land allocation support.

**Reduced corporate income tax rate**

Revenue from projects qualifying for all of these programs, except the General Investment Incentive Scheme, and within the scope of an IIC, are subject to reduced corporate income tax rates that expire when the total benefit achieved from the reduced rate reaches the contribution amount. The contribution amount is calculated based on the predefined contribution rate for each region and/or investment type.

Details of the relief are contained in Turkey’s corporate income tax law and Decree No. 2012/3305 dated 19 June 2012. According to the legislation and the decree, the reduced rate is determined by the rates of (i) contribution to investment and (ii) tax reduction specified in the decree for all relevant incentive schemes and regions. For example, an investment commenced prior to 31 December 2013, within the scope of the IIC and the decree, and with a contribution to investment rate of 60%, may benefit from a reduction of up to 90% in the statutory corporate income tax rate. The contribution to investment rate is calculated as follows:

\[
\text{Amount contributed to investment} = \text{Amount of tax not collected by the tax authorities as a result of the regime}
\]

\[
\text{Contribution to investment rate} = \frac{\text{Amount contributed to investment}}{\text{Total amount invested}}
\]

Reduced corporate income tax rates are available only for investments made under the Strategic or Regional Investment Incentive Schemes. The incentive also applies to investors whose income is subject to individual income tax provided the nature of the income is “business profit.”

**Example**

An investor is granted an IIC within the scope of the new incentive regime and invests TRY 500,000 in region six under the Regional Investment Incentive Scheme. The investor also meets all the conditions for regional investment incentives in region six. The tax reduction is calculated as follows:

<table>
<thead>
<tr>
<th>Taxable income</th>
<th>TRY 1,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate income tax @ 22%</td>
<td>TRY 220,000</td>
</tr>
<tr>
<td>Tax rate reduction</td>
<td>90%</td>
</tr>
<tr>
<td>Reduced tax rate (0.22-(0.22 x 0.9))</td>
<td>2.2%</td>
</tr>
<tr>
<td>Reduced tax amount (TRY 1,000,000 x 2.2%)</td>
<td>TRY 22,000</td>
</tr>
<tr>
<td>Tax not to be collected by the tax office (TRY 220,000—TRY 22,000)</td>
<td>TRY 198,000</td>
</tr>
<tr>
<td>Total amount invested</td>
<td>TRY 500,000</td>
</tr>
<tr>
<td>Rate of contribution to investment (TRY 198,000/500,000)</td>
<td>39.6%</td>
</tr>
</tbody>
</table>

According to the decree, where the rate of contribution is lower than 60% in region six, investors may benefit from the 90% reduced corporate tax incentive until the amount of the incentive granted is equivalent to a 60% rate of contribution to investment.

Expenditure on land, royalties, spare parts, and other expenses not subject to depreciation is not qualifying investment. Certain types of entity (including finance and insurance companies, and joint ventures) and certain types of investment may not benefit from the relief.

**TDZs**

The following incentives are available to entities operating in TDZs:

- Profits derived from software development, R&D, and design activities are exempt from income and corporate taxes through 31 December 2023;

- Deliveries of application software produced exclusively in TDZs and Thematic TDZs (established for specific R&D activities) are exempt from VAT through 31 December 2023; and

- Wages of researchers and software, R&D, and design personnel employed in a TDZ are exempt from individual income tax through 31 December 2023, and also are eligible for the government compensation for employer SSPs.
Turkey

Capital support given by corporate or income taxpayers to companies operating in TDZs may be deducted from the corporate income tax base, but the deduction cannot exceed the lower of 10% of corporate income or 20% of the company's total equity, subject to an overall limit of TRY 500,000.

Manufacturing zones
The earnings of manufacturers that are attributable to the sales of goods produced in free zones are exempt from income and corporate income taxes. The wages of employees employed by manufacturers that export at least 85% of the free on board value of the goods they produce in the free zones are exempt from individual income tax. Transactions and arranged documents relating to the activities carried out in the zones by the manufacturers are exempt from stamp duty and fees.

Export incentives
The Ministry of Economy reimburses 50% of expenses related to trade fair promotional activities for trade fairs in Turkey. The ministry also supports international fair participation, market research and entry abroad, brand promotion activities abroad, and many other activities related to exports. The ministry offers reimbursement of 70% of the domestic training costs of enterprises related to EU and foreign trade.

Inward and outward processing regimes are available to enable exporters/importers to supply inputs at world market prices for the production of their exports/imports without being subject to customs duties (including VAT).

Environmental sustainability incentives

Environmental incentives
Companies may enter into a voluntary agreement with the General Directorate of Renewable Energy to commit to reduce energy consumption by 10% over three years. The General Directorate will fund 20% of the total energy expenses over the term of the agreement. The Ministry of Energy and Natural Resources offers grant opportunities that cover 30% of the expenses incurred in projects that prevent unnecessary energy consumption, energy waste, or energy loss/leakage; or promote recycling of waste energy.

Renewable energy incentives
The government provides specific incentives for investments in electricity production based on renewable energy sources. Various incentives are available, including a “feed-in-tariff” scheme that applies for a 10-year period, and lower license fees.

Other incentives

Support for small and medium-sized enterprises (SMEs)
SMEs may obtain interest-free loans from the KOSGEB (SME Development Organization). The KOSGEB supports SMEs with different government programs, and may compensate between 60%-90% of start-up expenses, such as machinery and equipment expenses, and predetermined fixed investment costs.

Agriculture and livestock incentives
The Ministry of Food, Agriculture and Livestock offers many support programs, including field-based incentives and grants that vary depending on the scope of the agricultural operation, e.g., the number of livestock, or the size of the land. Cash grants and subsidies may be given to agricultural enterprises for agricultural activities carried out with respect to specific agricultural products.

Cultural incentives
Enterprises investing in culture can obtain payroll tax benefits, i.e., a reduction in income withholding tax and SSP deduction. The scope of cultural incentives includes the construction, operation, or maintenance of cultural institutions such as libraries, museums, concert halls, cinemas, or theatres.

Development agencies (regional incentives)
Specific project expenses incurred on a project within the scope of an annual program offered by a regional agency may be compensated by the agency. Development agencies also may pay the interest for the relevant projects.