

Donations to Public Benefit Associations

The regulations regarding donations made to public benefit associations in the Income and Corporate Tax Laws are as follows:

A. According to Article 89/4 of the Income Tax Law No. 193 under "Other Deductions":

ARTICLE 89 - In determining the taxable income for income tax, the following deductions can be made from the income reported in the income tax return:

...

4. Donations and aid made to general and special budget public administrations, provincial administrations, municipalities, villages, public benefit associations, and foundations granted tax exemptions by the Council of Ministers, in the form of receipts, up to 5% of the total declared income (10% for priority development regions).

...

In case the donation or aid is not made in cash, the market value of the donated property or right, or if not available, the value determined by the Valuation Commission under the provisions of the Tax Procedure Law is considered.

Under this regulation, donations and aids made to our association, up to 5% of the total declared income, can be deducted from the income reported in the income tax return, provided that a receipt is obtained.

B. According to Article 10/c of the Corporate Tax Law No. 5520 under "Other Deductions":

ARTICLE 10 - In determining the corporate tax base, the following deductions can be made from the corporate earnings, provided that they are shown separately in the corporate tax return:

...

c) Donations and aid made to general and special budget public administrations, provincial administrations, municipalities, villages, foundations granted tax exemptions by the Council of Ministers, public benefit associations, and institutions and organizations conducting scientific research and development activities, up to 5% of the corporate earnings of that year.

...

In case the donation or aid is not made in cash, the cost price or the registered value of the donated property or right, or if not available, the value determined by the Valuation Commission under the provisions of the Tax Procedure Law is considered.

Under this regulation, donations and aids made to our association, up to 5% of the corporate earnings of that year, can be deducted from the corporate earnings.