

Turkey amends customs law to remove exemption threshold for certain imported goods

NEW! EY Tax News Update: Global Edition

EY's new Tax News Update: Global Edition is a free, personalized email subscription service that allows you to receive EY Global Tax Alerts, newsletters, events, and thought leadership published across all areas of tax. Access more information about the tool and registration [here](#).

Also available is our [EY Global Tax Alert Library](#) on ey.com.

Executive summary

Turkey's Presidential Decree No. 1111, issued and promulgated in the *Official Gazette* dated 15 May 2019 and numbered 3077, establishes that the *Decree on Amendments of Certain Articles of Customs Law No. 4458* (the Decree) will enter into force 15 days following its publication. The Decree removes the exemption threshold for certain imported goods as summarized below.

Detailed discussion

Under the Decree, the exemption threshold for imported products which arrive in Turkey via post and fast shipping (except for books or relevant publications) has been fully withdrawn. The exemption threshold still applies to books or relevant publications whose price does not exceed €150.

The Council of Ministers Resolution No. 15481, published in 2009, established the exemption threshold for imported products whose price did not exceed €150, which was then reduced to €75 in 2011, to €30 at the beginning of 2017, to €22 in April 2018 and finally to zero on 15 May 2019.

Prior to the said amendments, deliveries which cost up to €22 would not be taxed, whereas; the following duty rates would apply to imported products worth more than €22 but less than €1,500 and delivered from:

- The European Union (EU): Subject to 18% customs duties
- Other Countries (third countries): Subject to 20% customs duties

Based on the amendments, imported goods arriving from the EU (no minimum threshold) valued up to €1,500 shall be subject to the duty rates mentioned above. Imported goods that exceed €1,500, on the other hand, will be subject to the requirements of importation (for release into free circulation) customs procedure.

The said amendment is of particular importance for electronic commerce operators as well as users. This also points to a divergence from the current regulation in force in the EU which is still €22.5. This matter is also important because it relates to natural persons who conduct business via post and fast shipping since all posts shall be subject to customs duties and procedures from now on. Prior to the amendments, products not exceeding €22.00 were exempted from customs duties and were delivered directly to the customer via an Electronic Customs Declaration (EDC), submitted by the freight company. However, the amended provisions result in the levy of customs duty of these goods which will not benefit from the EDC. In addition, the costs of importation might rise due to increasing volume of customs brokerage services and warehouse charges, among others, which might potentially deter consumers from using cargo or fast shipping for goods of high value.

In addition to natural persons, companies will no longer be able to benefit from the exemption when importing samples whose value are below €22. Companies then can either import samples by paying the required amount of duties or by filing for a separate exemption which might entail a set of conditions and procedures.

The following table sets out details regarding the amendments:

Article	Former provision	Amendment revision	Current provision
Article 45/1	An exemption is granted to goods, whose prices do not exceed €22 (per delivery) and which arrive via post or fast shipping for persons in the Customs Territory of Turkey; and, to books or relevant publications for personal use, whose price do not exceed €150.	Italicized phrase has been removed from former provision.	<i>An exemption is granted to books or relevant publications for personal use, whose price does not exceed €150 Euros.</i>
Article 62/1	On the condition that the value of the goods does not exceed €1,500; the following duty rates shall be collected over the value of the goods that arrive via post or fast shipping that exceed the thresholds stipulated in Article 45 and, goods that are accompanied by passenger that exceed the thresholds stipulated in Article 59;	Bold phrase has been added.	On the condition that the value of the goods does not exceed €1,500; the following duty rates shall be collected over the value of the goods that arrive via post or fast shipping and books and printed press for personal use that exceed the thresholds stipulated in Article 45 and, goods that are accompanied by passenger that exceed the thresholds stipulated in Article 59;
	a) 18%, in the event that goods arrive from the EU.		
	b) 20%, in the event that goods arrive from Other Counties.		
	c) 8%, for books and other similar printed press.	Bold phrase has been amended.	c) 0% , for books and other similar printed press.
	d) a single and fixed duty rate of 20% (in addition to the rates above) if goods are listed in List (IV) of the Special Consumption Tax Law dated 6/6/2002, and numbered 4760.		

Article	Former provision	Amendment revision	Current provision
Article 126/1	[...] The Ministry is authorized to increase the amount or value thresholds for goods subject to the customs' export regime separately up to five times.	Bold phrase has been amended.	[...] The Ministry is authorized to increase the amount or value thresholds for goods subject to the customs' export regime separately up to ten times.
Appendix 9, (B/b-8)	GSM-mobile phones (including those with features such as playing TV, music and video) shall be registered only once in two calendar years, (excluding members of foreign mission).	Bold phrase has been added.	GSM-mobile phones (including those with features such as playing TV, music and video) shall be registered only once in three calendar years and only through with the lines registered with passengers' ID numbers , (excluding members of foreign mission).

For additional information with respect to this Alert, please contact the following:

Kuzey Yeminli Mali Müşavirlik A.Ş. İstanbul

► Sercan Bahadır sercan.bahadir@tr.ey.com

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit [ey.com](https://www.ey.com).

Indirect Tax

© 2019 EYGM Limited.
All Rights Reserved.

EYG no. 002489-19Gbl

1508-1600216 NY
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

[ey.com](https://www.ey.com)