CORPORATE INCOME TAX · LAW NO. 7582

95% profit deduction in transit trade

Who can benefit, and under which condition, from the deduction opened to all companies by Law No. 7582?

KEY POINTS

6 key points

SWIPE TO CONTINUE →

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02 · THE RULE

What does the new rule bring?

Transit trade is when a company in Türkiye buys goods abroad and sells them to another country without bringing them into Türkiye. If the conditions are met, **95% of this profit** can be deducted from corporate income.

95%

For profits of accounting periods starting on or after 1 January 2026

Previously limited to Istanbul Financial Centre participants, the opportunity is now open to all companies.

— 03 · SCOPE

Which transactions are covered?

The deduction applies to profit from two activities: selling goods bought abroad without bringing them into Türkiye, and acting as an intermediary in the purchase and sale of goods abroad.

2 activities

For intermediation, both seller and buyer must be outside Türkiye

The sale of goods brought into Türkiye is not covered.

04 · CALCULATION

The deduction applies to profit, not turnover

ITEM	AMOUNT
Sales	**€1,100,000**
Purchase cost of the goods	**€1,000,000**
Other expenses of this activity	**€20,000**
Profit	**€80,000 = TRY 4,400,000**
Deduction (95%)	**TRY 4,180,000**
Tax effect at 25%	**≈ TRY 1,045,000 less tax**

Not only the purchase price but all expenses and costs of the activity are deducted from revenue. Non-operating income such as interest on cash and FX revaluation is not added. The example assumes €1 = TRY 55 and sufficient corporate income.

— 05 · TRANSFER CONDITION

By when must the profit be brought to Türkiye?

The profit must be transferred to Türkiye by the due date of that year’s corporate income tax return. The condition applies to the profit earned from this activity.

30 April 2027

For 2026 profits of calendar-year companies

No deduction applies to any part not brought in on time; bringing it in later does not restore the right.

What about sales from a bonded warehouse?

Placing goods in a customs bonded warehouse in Türkiye does not by itself remove the deduction.

Covered

If goods are sold abroad without entering free circulation and without processing

If goods are sold to a buyer in Türkiye or enter free circulation, the deduction does not apply. The sale abroad, as they are, of digital codes representing a specific product and of intangible rights such as trademarks and patents is also covered under its conditions.

Points to watch at the filing stage

01 **Revenue, costs and expenses of transit trade are tracked separately.**

02 **The deduction is shown separately in the corporate income tax return.**

03 **The deduction is limited to corporate income; any unused amount is not carried forward.**

04 **If the deduction exceeds TRY 1,000,000, a YMM certification report is required.**

05 **If the counterparty is a group company, the price must be at arm’s length.**

06 **The deduction is also taken into account in the domestic minimum corporate tax calculation.**

For entities in industrial zones approved by the President and Istanbul Financial Centre participants, the rate is 100%.

INFORMATION

This summary is for general information and covers the topic in outline. For specific transactions, an SMMM or YMM opinion taking the company's own circumstances into account is recommended.

Basis: CITL No. 5520 Art. 10/1-(i) (as amended by Law No. 7582 Art. 7); CIT General Communiqué No. 1, section 10.7 (as amended by Communiqué No. 26)

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