

## Turkey

1. Turkey was first reviewed during the 2017/2018 peer review. This report is supplementary to Turkey's 2017/2018 peer review report (OECD, 2018<sup>[1]</sup>). There is no filing obligation for a CbC report in Turkey yet.

### Summary of key findings

2. Turkey does not yet have complete legislation in place for implementing the BEPS Action 13 minimum standard.

- It is recommended that Turkey take steps to implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible. This recommendation remains unchanged since the 2017/2018 peer review.
- It is recommended that Turkey amend the conditions for local filing or otherwise take steps to ensure that the CbC reporting local filing obligations will only apply in the circumstances contained in the terms of reference (OECD, 2017<sup>[2]</sup>). This recommendation remains unchanged since the 2017/2018 peer review.

3. It is recommended that Turkey take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisite and with which Turkey has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. This recommendation remains unchanged since the 2017/2018 peer review.

4. It is recommended that Turkey take steps to implement processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework ahead of the first exchanges of information.

5. It is recommended that Turkey take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information. This recommendation remains unchanged since the 2017/2018 peer review.

6. It is however noted that Turkey will not be exchanging CbC reports in 2019.

### Part A: The domestic legal and administrative framework

7. Turkey does not yet have legislation in place for fully implementing the BEPS Action 13 minimum standard.

#### *(a) Parent entity filing obligation*

8. No changes were identified with respect to the parent entity filing obligation.

***(b) Scope and timing of parent entity filing***

9. No changes were identified with respect to the scope and timing of parent entity filing.

***(c) Limitation on local filing obligation***

10. No changes were identified with respect to the limitation on local filing obligation.

***(d) Limitation on local filing in case of surrogate filing***

11. No changes were identified with respect to the limitation on local filing in case of surrogate filing.

***(e) Effective implementation***

12. No changes were identified with respect to the effective implementation.

***Conclusion***

13. There is no change in relation to the domestic legal and administration framework for Turkey since the previous peer review. The recommendations in the 2017/18 peer review, that Turkey take steps to fully implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible and ensure that local filing applies only in the circumstances allowed under the terms of reference, remain in place.

**Part B: The exchange of information framework*****(a) Exchange of information framework***

14. As of 31 May 2019, Turkey has no bilateral relationships in place for the exchange of CbC reports. It is recommended that Turkey take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Turkey has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

***(b) Content of information exchanged***

15. Turkey does not have processes or written procedures in place that are intended to ensure that each of the mandatory fields of information required in the CbC reporting template are present in the information exchanged.

***(c) Completeness of exchanges***

16. Turkey does not have processes or written procedures in place that are intended to ensure that CbC reports are exchanged with all tax jurisdictions listed in Table 1 of a CbC report with which it should exchange information as per the relevant QCAA.

***(d) Timeliness of exchanges***

17. Turkey does not have processes or written procedures in place that are intended to ensure that the information to be exchanged is transmitted to the relevant jurisdictions in accordance with the timelines provided for in the relevant QCAs.

***(e) Temporary suspension of exchange or termination of QCAA***

18. Turkey does not have processes or written procedures in place that are intended to ensure that a temporary suspension of the exchange of information or termination of a

relevant QCAA would be carried out only as per the conditions set out in the relevant QCAA.

***(f) Consultation with other Competent Authority before determining systemic failure or significant non-compliance***

19. Turkey does not have processes or written procedures in place that are intended to ensure that its Competent Authority consults with the other Competent Authority before making a determination of systemic failure or significant non-compliance with the terms of the relevant QCAA by that other Competent Authority.

***(g) Format for information exchange***

20. Turkey has not confirmed the format that will be used for the international exchange of CbC reports.

***(h) Method for transmission***

21. Turkey has not indicated that it uses the Common Transmission System, or any other mechanism, to exchange CbC reports.

***Conclusion***

22. Turkey's 2017/2018 peer review recommended that Turkey take steps to have QCAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites and with which Turkey has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. The recommendation to have QCAs in effect remains in place.

23. Further, it is recommended that Turkey take steps to implement processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework ahead of its first exchanges of information. It is however noted that Turkey will not be exchanging CbC reports in 2019.

## **Part C: Appropriate use**

24. Turkey does not yet have measures in place relating to appropriate use. No changes were identified in respect of appropriate use. The recommendation in the 2017/2018 peer review for Turkey to take steps to have measures in place relating to appropriate use ahead of the first exchanges of information remains in place. It is however noted that Turkey will not be exchanging CbC reports in 2019.

25. No information or peer input was received for the reviewed jurisdiction in respect of appropriate use.

***Conclusion***

26. There is no change to the conclusion in relation to the appropriate use for Turkey since the previous peer review. The recommendation for Turkey to take steps to ensure that the appropriate use condition is met ahead of its first exchanges of information remains in place. It is however noted that Turkey will not be exchanging CbC reports in 2019.

## Summary of recommendations on the implementation of Country-by-Country Reporting

Aspect of the implementation that should be improved		Recommendation for improvement
Part A	Domestic legal and administrative framework	It is recommended that Turkey take steps to implement a domestic legal and administrative framework to impose and enforce CbC requirements as soon as possible.
Part A	Domestic legal and administrative framework	It is recommended that Turkey and the conditions for local filing or otherwise take steps to ensure that the CbC reporting local filing obligations will only apply in the circumstances contained in the terms of reference.
Part B	Exchange of information framework	It is recommended that Turkey take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisite and with which Turkey has an international exchange of information agreement in effect that allows for the automatic exchange of tax information s.
Part B	Exchange of information framework	It is recommended that Turkey take steps to implement the necessary processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework.
Part C	Appropriate use	It is recommended that Turkey take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.



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