

KAYA&MERZ

Law Offices I Rechtsanwälte in Bürogemeinschaft I Hukuk Bürosu



COMMON REPORTING STANDARD

What does it mean for Turkish citizens living in Europe?

TURKEY'S IMPLEMENTATION PROCESS

As an international organization, OECD (Organization for Economic and Development), of which Turkey and Germany are also members, provides information and cooperation to support member countries in terms of economic growth and financial stability. In this framework, a financial information exchange agreement based on cooperation and automatic information exchange between countries has been arranged.

This agreement has been signed by nearly 100 countries, including Turkey and Germany.

This information exchange process, called CRS (Common Reporting Standard), is a new information-gathering and reporting requirement for financial institutions in participating countries/jurisdictions, to help fight against tax evasion and protect the integrity of tax systems.

The CRS seeks to establish the tax residency of customers. Under the CRS, financial institutions are required to identify customers who appear to be tax resident outside of the country/jurisdiction where they hold their accounts and products, and report certain information to our local tax authority.

With the written instruction sent to all Financial Institutions by the Turkish Revenue Administration, it requested tax residency determination and reporting within the scope of CRS in all accounts that were existing on 01.01.2017 and newly opened after this date.

IMPACTS OF THE CRS

All financial institutions operating in Turkey require the account holders (as of 01.01.2017) who has any contact information (address, telephone, etc.) in another country to submit a personal statement regarding their tax resident country. If you are an existing customer, it may be requested to fill in the CRS Declaration Form to confirm the up-to-date information in the system.

WHAT HAPPENS WHEN THE REQUESTED INFORMATION IS NOT SHARED?

Financial institutions in Turkey are required to fulfill their CRS obligations. In case you do not take notice of information request of financial institutions, the relevant financial institution may report your account information based on your current information in the institution.

WHAT CAN BE REPORTED?

- Identity, tax number and account information of the account holder
- Country or countries of tax residency,
- The value and balance of the account or accounts (year-end or closing balance)
- Income in the form of interest, dividend, financial derivative paid to the account
- Securities and asset sales revenue

You can contact us for your questions about the Common Reporting Standard.

*Meinekestr. 7 - 10719
Berlin – Almanya
Tel: +49 30 62 72 96 62
Fax: + 49 62 72 96 63
GSM: +49 176 26485655
www.kanzlei-kaya.de -
mail@kanzlei-kaya.de*