

Tax - Payroll Guide - Free shares / RSU

Türkiye	
Tax points	<p>Grant: No income tax. No social security.</p> <p>Vesting: Income tax and social security.</p> <p>Transfer to participant: No income tax. No social security.</p> <p>Sale by participant: Income tax on increase in value since vesting. No social security.</p>
Income tax (maximum rate)	40% (2025). Any change in tax rates usually takes effect from 1 January.
Income tax rates	<p>Progressive rates of tax apply. The maximum tax rate applies to income over TRY4,300,000. Remuneration paid through payroll is subject to stamp duty at a rate of 0.759%.</p> <p>Personal income tax rates are determined under the Law on Income Tax numbered 193, which was amended on 30 December 2024. The salary income brackets and tax rates (2025) are:</p> <ul style="list-style-type: none"> taxable income up to TRY158,000: 15%; income over TRY158,000 and up to TRY330,000: TRY23,700 for part of the income corresponding to TRY158,000 and 20% of the income exceeding TRY158,000; income over TRY330,000 and up to TRY800,000 (non-salary income) / TRY1,200,000 (salary income): TRY58,100 for part of the income corresponding to TRY330,000 and 27% of the income exceeding TRY330,000; income over TRY800,000 (non-salary income) / TRY1,200,000 (salary income) and up to TRY4,300,000: TRY185,000 for part of the non-salary income corresponding to TRY800,000 and 35% of the non-salary income exceeding TRY800,000 and as for salary income, TRY293,000 for part of the salary income corresponding to TRY1,200,000 and 35% of the salary income exceeding TRY1,200,000; income over TRY4,300,000: TRY1,410,000 for part of the non-salary income corresponding to TRY4,300,000 and 40% of the non-salary income exceeding TRY4,300,000 and as for salary income, TRY1,378,000 for part of the salary income corresponding to TRY4,300,000 and 40% of the salary income exceeding TRY4,300,000. <p>Tax payable through payroll each month will be reduced by the income tax and stamp tax exemption amounts. The tax exempt amount is the amount corresponding to the tax which would be due on the minimum wage amount (TRY3,315.70 on 1 January 2025 but the figure changes frequently).</p>

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Employer income tax withholding	<p>Although there is no specific tax regulation on withholding for employee share plans offered by a foreign company to employees in Türkiye, withholding might not be required if there is no recharge or local employer involvement in the plan.</p> <p>For Your Shares, no employer withholding is required.</p>
Employer social security withholding	<p>Employer withholding will likely apply if there is a recharge or the local employer administers the plan.</p> <p>For Your Shares, no employer withholding is required.</p>
Employee social security	<p>Employee social security (max rate): 15% (social security of 14% plus unemployment insurance of 1%).</p> <p>Employee social security (cap): the maximum salary base for premiums changes regularly. On 1 January 2025, it was based on a maximum daily salary of TRY6,501.38 (maximum TRY195,041.40 per month).</p>
Employer social security	<p>Employer social security (max rate): 20.75% (ranges between 20.75% to 15.75%). The actual rate will depend on the relevant industry and whether or not the employer is eligible to benefit from tax deduction.</p> <p>Employer social security (cap): the maximum salary base for premiums changes regularly. On 1 January 2025, it was based on a maximum daily salary of TRY6,501.38 (maximum TRY195,041.40 per month).</p>
Tax reporting - Individual	<p>An employee is required to file an annual return.</p> <p>There is no specific filing in relation to equity related incentives.</p> <p>Report name: Annual Tax Return. The tax return can be filed online and downloaded from the website here.</p> <p>Tax period: 1 January to 31 December.</p> <p>Reporting deadline: tax returns must be filed between 1 March and 31 March of the following year.</p> <p>Payment of tax: the balance of tax due must be paid in two equal instalments in March and June.</p>
Tax reporting - Employing company	<p>The employer must report the employees' incentive related income but the filing covers all employee benefits and is not specific to equity related incentives.</p> <p>Report name: monthly tax declaration. The tax declaration can be filed online and downloaded from the website here.</p>

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	<p>Reporting deadline: monthly income tax withholding return and social security return must be submitted by the 23rd of the following month.</p> <p>Payment of tax: monthly income tax withholding return and social security return must be paid by the 26th of the following month.</p>
Malus and clawback - Tax points	The existence of a malus or clawback clause does not affect the moment of tax for the individual.