
[COST OF DOING BUSINESS]



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COST OF DOING BUSINESS

Minimum Monthly Wage (gross and net)

Minimum Monthly Wage (gross and net)	
	USD
Net Minimum Wage	358.32
Gross Minimum Wage	453.62
• Social security premium payment (14%)	63.51
• Payment for unemployment insurance fund (1%)	4.54
• Income tax (15%)*	23.82
• Minimum living allowance**	34.02
• Stamp tax (0.759%)	3.44
Total Deduction	95.30
Employer Cost	
• Gross minimum wage	453.62
• Employer's share of social security premium (15.5%)***	70.31
• Employer's payment for unemployment insurance fund (2%)	9.07
Total Employer Cost	533.00
<p>* Calculation of income tax is $[(453.62 - 63.51 - 4.54) \times 0.15] - 34.02 = 23.82$</p> <p>** For single individuals without children and may vary according to marital status and number of children.</p> <p>*** For premiums that are paid in due time, as an incentive, a five-point reduction is applied (down from 20.5% to 15.5%).</p> <p>Source: Ministry of Family, Labor and Social Services Valid for January 1, 2019 – December 31, 2019 USD 1 = TRY 5.64, as of July 1, 2019</p>	

*

1 Cost of Electricity

Cost of Electricity							
Consumers Purchasing Electricity from Commissioned Supply Companies							
Distribution System Users	Capacity		Active Energy + Distribution				Reactive Energy
	Capacity Charge	Over-Capacity Charge	Standard	Daytime	Peak	Nighttime	
	TRYcent/kWh	TRYcent/kWh	TRYcent/kWh	TRYcent/kWh	TRYcent/kWh	TRYcent/kWh	
Medium Voltage							
Double Term							
Industry	306.2555	612.5110	50.7364	51.3217	79.3055	28.7362	26.4716
Single Term							
Industry	N/A	N/A	51.5015	52.0870	80.0708	29.5013	26.4716
Low Voltage							
Single Term							
Industry	N/A	N/A	57.1785	57.7638	85.7476	35.1782	26.4716
System Usage Tariffs for Consumers Purchasing Electricity from Private Suppliers*							
Capacity							

	Capacity Charge	Over-Capacity Charge	Distribution Tariff	Reactive Energy
	TRYcent/kWh	TRYcent/kWh	TRYcent/kWh	TRYcent/kWh
Medium Voltage				
Double Term				
Industry	306.2555	612.5110	8.1106	26.4716
Single Term				
Industry	N/A	N/A	8.9588	26.4716
Low Voltage				
Single Term				
Industry	N/A	N/A	13.8612	26.4716
<p>Multiple tariff application for November-March period: 07.00-18.00 daytime; 18.00-22.00 peak; 22.00-07.00 nighttime.</p> <p>Multiple Tariff application for April-October period: 06.00-17.00 daytime, 17.00-22.00 peak; 22.00-06.00 nighttime.</p> <p>Capacity Charge: Monthly fixed-fee calculated per kW based on the “contract power” specified in connection contract and charged to double-term consumers connected to distribution system.</p> <p>Over-Capacity Charge: monthly fee calculated per kW for amount of power exceeding the “contracted power” specified in the connection contract and charged to double-term consumers connected to distribution system.</p> <p>Double-Term tariff: Tariff class charged for “distribution fee over the amount of active energy flow (kWh) received from the distribution system or given to the distribution system”, plus capacity-charge calculated per kW specified in the connection contract, plus over-capacity charge for the power (in kW) exceeding the “contract power.”</p> <p>Single-term Tariff: The tariff class charged for distribution fee only through the amount of active energy flow (kWh) received from the distribution system or given to the distribution system.</p> <p>*The active energy price is not reflected in the table, as the price is determined bilaterally between the consumer and the supplier.</p>				

Electricity Bill Calculation:

$[(\text{Consumption (kWh)} \times \text{Active Energy Price* (TRYcent/kWh)} \times 1,02^{**}) + (\text{Consumption (kWh)} \times \text{Distribution Tariff (TRYcent/kWh)})] \times 1.18^{***}$

Active Energy Price*: the consumers can either purchase electricity from the commissioned supply companies at the prices indicated in the table or at the prices determined bilaterally with the private electricity suppliers.

**Funds (electricity fund 1%, electricity consumption tax 1%)

***VAT 0.18%

Source: Energy Market Regulatory Authority (EMRA)

USD 1 = TRY 5.64 as of July 1, 2019

2 Cost of Water for Industrial Use

Cost of Water for Industrial Use				
Reference Price USD/m3				
Type of Customer	Water	Waste Water	Water VAT (%)	
Industry	2.17	Included	8	
Reference Price USD/m3				
Organized Industrial Zones (OIZs)	Water	Water VAT (%)	Waste Water	Waste Water VAT (%)
Eskişehir OIZ	0.12	8	0.12	8
Antalya OIZ	0.9	8	-	-

Source: Istanbul Water and Sewerage Administration (ISKI)
Eskişehir Water and Sewerage Administration & Antalya Water and Sewerage Administration
USD 1 = TRY 5.64 as of July 1, 2019

3 Cost of Natural Gas

Cost of Natural Gas		
Gas Sales Tariff for Customers that have a Signed a Gas Sales Agreement with BOTAS		
	TRY/kWh	TRY/Sm ³
Less than 300,000 Sm ³	0.08364793	0.890014
OIZ	0.12638816	1.344770
More than 300,001 Sm ³	0.12702321	1.351527

Gas Bill Calculation:
Consumption (Sm³) x (Tariff per Sm³ + 0.023 TRY* + Transport Tariff per Sm³**) x 1.18***
*0.023 TRY/Sm³: Special Consumption Tax
**Transport Tariff/System Usage Tariff (see the websites of the relevant gas distribution companies)
*** 0.18% VAT

Source: Petroleum Pipeline Corporation (BOTAS)
Excluding SCT and VAT
USD 1 = TRY 5.64 as of July 1, 2019

Cost of Broadband Services	
Fibernet and Hypernet	(USD/month)
Download Speed (Mbps) - unlimited tariffs	Price
Up to 24	51
Up to 35	60
Up to 50	75
Up to 100	104
Up to 1000	165
Metro Ethernet and G.SHDSL	Requirement specific

<p>Source: TTNET, Superonline All taxes included. USD 1 = TRY 5.64 as of July 1, 2019</p>	
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