Briefing Note
Commercial and Corporate
13 August 2026

Transfer of Yields: Foreign-Capital Entities and Non-Residents

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The transfer of profits obtained by foreign-capital entities from their operations in Türkiye, as well as the transfer of profit shares of foreign-capital partnerships and the income (dividends, profit shares and interest) derived by non-residents from securities and other capital market instruments purchased in Türkiye, shall be carried out by banks in accordance with the principles set out in the Circular on Invisible Transactions dated 18 May 2026.

1. Background

As per Decision No. 32 on the Protection of the Value of the Turkish Currency, net profits, dividends, proceeds from sales, liquidation proceeds and compensation payments arising from foreign investors' activities and transactions in Türkiye, as well as sums payable under licence, management and similar agreements, can be freely transferred abroad via banks.

With recent amendments to the Central Bank of Türkiye's Circular on Capital Movements dated 2 May 2018, it is clarified that transfer of yields arising from certain activities will be conducted under the principles set out in the Circular on Invisible Transactions dated 18 May 2026 ("**Circular**").

2. Transfer Regime

Article 14 of the Circular, titled "*Capital Income*", repeats the general framework introduced above and regulates the details for the transfer of (i) profits from commercial activities, (ii) dividend and profit share income, and (iii) interest income.

As the general rule, pursuant to Article 7 of the Circular, intermediary banks are responsible for confirming whether tax related and other obligations are fulfilled while the transfer is being processed. The examination and confirmation are conducted through (i) documents evidencing that such obligations are fulfilled or (ii) undertakings for compliance with regulations.

2.1. Profits from Commercial Activities

Foreign-capital companies in Türkiye may freely transfer abroad, via banks, the net profits arising from their activities and transactions in Türkiye; save for foreign companies with petroleum rights, which require permits from the Ministry of Energy and Natural Resources.

The following documents should be submitted for these transfers:

- Tax return, balance sheet and profit and loss account approved by the tax office,
- Tax assessment and/or collection notices,
- Profit distribution table,
- Undertaking letter regarding the set-off/return of excess amount, if any,
- Trade Registry Gazette copy reflecting the establishment of the company (*for first transfers*).

2.2. Dividend and Profit Share Incomes

Dividend and profit-sharing income from all types of securities and other capital market instruments purchased in Türkiye by non-residents, including investment partnerships and investment funds located abroad, can be transferred abroad.

2.3. Interest Income

Interest income from securities and other capital market instruments purchased by non-residents in accordance with capital markets legislation can be transferred abroad.

3. Conclusion

In conclusion, Turkish legislation supports free movement of capital. Accordingly, foreign-capital entities and non-residents may freely transfer abroad their profits from commercial activities, dividends, profit shares and interest income derived from securities and other capital market instruments in Türkiye through banks.

Banks may request supporting documents other than items listed under Section 2.1, such as brokerage and/or central registry receipts to verify the nature, source and transferability of the relevant income as per the applicable rules. Transfer processes shall therefore be planned together with the required corporate, tax and transaction records to ensure smooth completion.

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Should you have any queries on the matters above, please do not hesitate to contact us.

Yours faithfully,

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