

**CIRCULAR**  
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**Subject Matter:**  
**ELECTRONIC BOOK SYSTEM**

As should be known, nearly 20,000 taxpayers had launched the e-invoice system as of April 2014 under the applicable legislation. According to the said regulation of the Ministry of Finance, effective from 1.1.2015, it is mandatory for taxpayers that use the e-invoice system to keep their books in an electronic medium instead of paper. Apart from this mandatory system, any company may keep its books in electronic form at its sole discretion. The number of e-invoice and e-book users is expected to reach 100,000 taxpayers as of the end of 2015.

While according to the Turkish Commercial Code it is possible to keep all books in an electronic system, pursuant to the new regulation, it is now initially possible to keep the journal and the general ledger in electronic format. A taxpayer may keep its books electronically by means of an e-book software, the conformity of which is certified by the Ministry of Finance. A taxpayer who starts to keep its books in an electronic format will no longer keep them in printed form, and in this way they will avoid expenses and costs for book printing, notary public charges and archiving costs. E-books to be used by taxpayers shall be created as of monthly periods and the resultant e-books shall not include the records of the previous month. Each month's e-book shall be submitted to the Ministry of Finance for approval by the end of the following third month (e-books for the last month of the financial year shall be submitted by the last day of the month in which the corporate tax return is filed). This submission shall be made by signing it with financial seal/electronic signature and by uploading it to the [www.edefter.gov.tr](http://www.edefter.gov.tr) portal. Certificates approved with the financial seal of the Ministry of Finance shall be downloaded by the taxpayer and shall be kept along with the related electronic books. When the certificate for the first month of the financial year is obtained, this will signify the opening approval, while the receipt of the last month's certificate will signify the closing approval. Certificates will be signed or approved

with time-stamps by way of secure electronic signature (for individuals) or financial seal (for legal persons).

Electronic books and certificates should be kept in the data processing system of the taxpayer who is permitted to keep electronic books. E-books shall be kept on the territory of the Republic of Turkey subject to Turkish law, and if the books are kept abroad or by third parties, this will be null and void for legal purposes. E-books, along with such certificates approved by the Ministry of Finance, will be considered valid statutory books under the Tax Procedures Code and Turkish Commercial Code.

E-books and their related certificates approved by the Ministry of Finance should be kept for five years pursuant to the Tax Procedures Code and ten years pursuant to the Turkish Commercial Code. You can read more detailed information about the e-book system at [www.edeften.gov.tr](http://www.edeften.gov.tr).

Truly yours,

**DENGE İSTANBUL  
YEMİNLİ MALİ MÜŞAVİRLİK**

(\*) Explanations provided in our circulars are for informative purposes only. We advise you to obtain the opinions and support of a consultant specialized in issues about which you have questions before taking action. Our consulting firm disclaims any and all losses that might be incurred as a result of transactions realized solely on basis of the explanations provided in our circulars.

(\*\*) You may send your opinions, criticisms and queries about our circulars to our specialists, whose contact details are provided below.

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