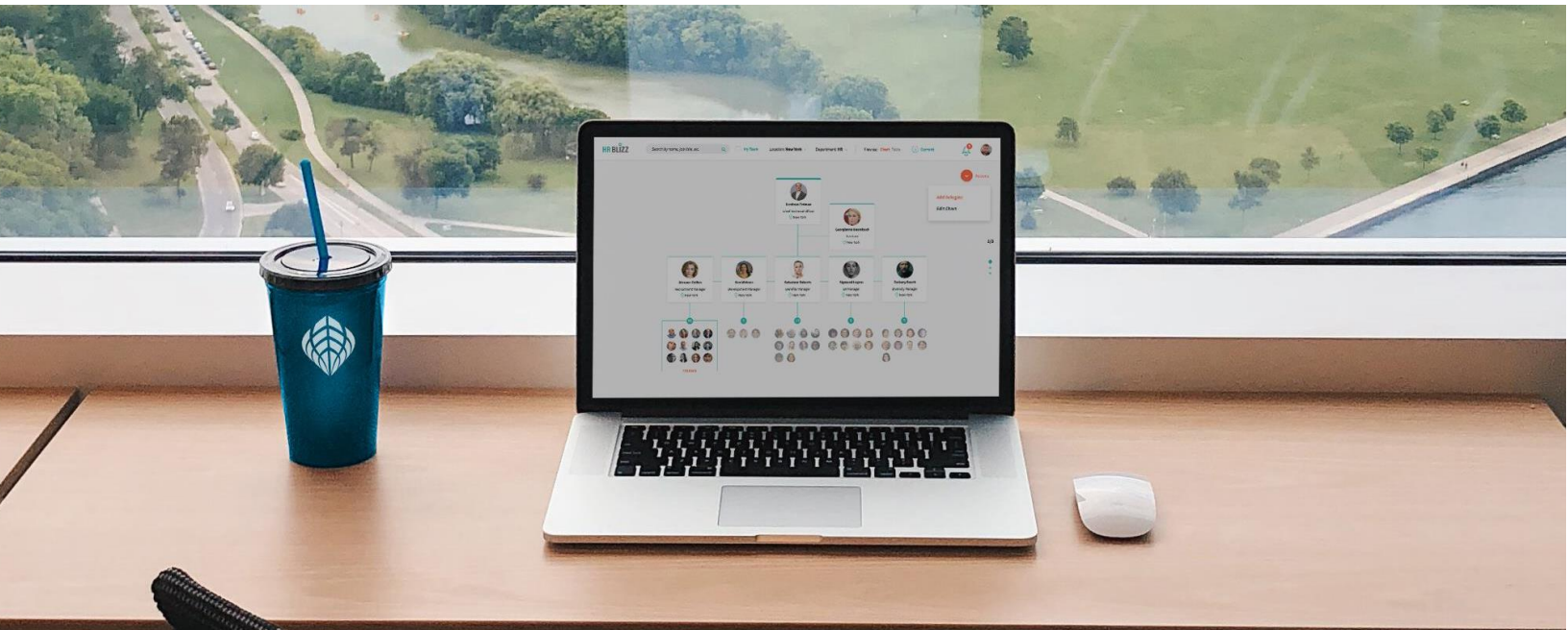




Simplifying Employment
Tasks Worldwide

Statutory Change Alert

Turkey Announces 2021 Payroll Parameters



TURKEY



6 January 2021



MERCANS

We help you achieve your global ambitions

Thank you for trusting Mercans to outsource your HR and Payroll functions. We propose HR consulting services, actionable solutions, and cost-effective global payroll processing tools to energize your human capital management in real-time and augment your performance. We are dedicated to becoming your business growth facilitator.



Global Payroll Solutions – Boost your HR brand and employee satisfaction

Rationalize your HR budgets, monitor your data, and optimize your global payroll tasks in real-time. Systematize processes and streamline HRM lifecycles with HR Blizz™, our unified SaaS platform, to ensure your employees are paid accurately and on time.



PEO/GEO Services – Easily hire, deploy and manage your workforce abroad

A reliable Professional Employer Organization (PEO), Mercans is your trusted employer of record to globally select, engage, and manage highly qualified personnel on your behalf, through integrated Global Employment Outsourcing (GEO).



Global Talent Acquisition – Quickly fill vacancies with only the best candidates

Mercans supports you in designing/deploying long-term HR strategies and processing full-cycle recruitment. Our ATS Suite Mesar™ and our hiring experts help to screen, select, attract the right candidates for your organization, and populate your pipeline of prequalified talents.



BPO Services – Reclaim the focus on your core activities to expand your business

Concentrate on the essentials: outsource non-primary activities and your front- and back-office functions to Mercans. Save the time, money, and energy needed to refine the value chain engagement of your customers and suppliers and increase revenue.



HR Management SaaS – Access customizable cloud-based online platforms

Centralize your HR function on an all-in-one user-friendly and self-service platform. Combined with the expertise of our consultants, the Mesar SaaS offers a built-in applicant tracking system and easy-integration features to improve internal processes.



Local Statutory Compliance – Forget the hassle of setting up branches abroad

Mercans seasoned HR advisory team are compliance experts specialized in local cultures, business protocols, and tax and legal specificities. They are committed to ensure quick go-to-market abroad and achieve a compliant global expansion, risk-free from A to Z.



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Mercans at a Glance

140+

Countries

20

Years of Success

500+

Specialists

5k+

Customers Worldwide

97%

Client Retention Rate

1.5X

Annual Revenue Growth

25k+

Largest Single Country Payroll

2.5M+

Pay Slips per Annum

0

Security Breaches

Number one for outsourced payroll services, we are endorsed by international authorities.



Mercans has the highest industry quality and IT security certifications.





Turkey – SSI and Tax Payroll Parameters for 2021.

Effective from 1st of January 2021, the government of Turkey has increased the Social Security Minimum Wage Amount to 3,577.50 TRY Gross and 2,825.90 TRY Net for single employees. The monthly SSI Ceiling Amount has increased to a gross amount of 26,831.40 TRY.

Please find the previous and new amounts under the below table,

SSI Amounts EN Version	SSI Amounts TR Version	Period 2020	Period 2021
SSI Minimum Base Amount Daily	Gunluk Prime Esas Kazanc / SGK / Alt Sınır	TRY 98.10	TRY 119.25
SSI Minimum Base Amount Monthly	Aylık Prime Esas Kazanc / SGK / Alt Sınır	TRY 2,943.00	TRY 3,577.50
SSI Ceiling Amount Daily	Gunluk Prime Esas Kazanc / SGK / Üst Sınır	TRY 735.75	TRY 894.38
SSI Ceiling Amount Monthly	Aylık Prime Esas Kazanc / SGK / Üst Sınır	TRY 22,072.50	TRY 26,831.40

In accordance with the amended minimum amounts, the social security contributions for employees and employers will be calculated as summarized below:

Minimum Living Allowance Amounts (AGI) for 2021

The Turkish government has announced the following Minimum Living Allowances (AGI) for 2021.

These amounts will be directly added to employees' salaries based on their marital statuses.



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Minimum Living Allowance Amounts	Asgari Gecim Indirimi Tutarları	Period 2020	Period 2021
Single	Bekar	TRY 220.73	TRY 268.31
Married+ (wife/husband working)	Evli eşi çalışan	TRY 220.73	TRY 268.31
Married+(wife/husband working) +1 child	Evli eşi çalışan 1 çocuk	TRY 253.83	TRY 308.56
Married+(wife/husband working) +2 child	Evli eşi çalışan 2 çocuk	TRY 286.94	TRY 348.81
Married+(wife/husband working) +3 child	Evli eşi çalışan 3 çocuk	TRY 331.09	TRY 402.47
Married+(wife/husband working) +4 child	Evli eşi çalışan 4 çocuk	TRY 353.16	TRY 429.30
Married+(wife/husband working) +5 child	Evli eşi çalışan 5 çocuk	TRY 375.23	TRY 456.13
Married+ (wife/husband not working)	Evli eşi çalışmayan	TRY 264.87	TRY 321.98
Married+(wife/husband not working) +1 child	Evli eşi çalışmayan 1 çocuk	TRY 297.98	TRY 362.22
Married+(wife/husband not working) +2 child	Evli eşi çalışmayan 2 çocuk	TRY 331.09	TRY 402.47
Married+(wife/husband not working) +3 child	Evli eşi çalışmayan 3 çocuk	TRY 375.23	TRY 456.13
Married+(wife/husband not working) +4 child	Evli eşi çalışmayan 4 çocuk	TRY 375.23	TRY 456.13
Married+(wife/husband not working) +5 child	Evli eşi çalışmayan 5 çocuk	TRY 375.23	TRY 456.13

Exemption Amounts from Social Security Base Amount for 2021

The government of Turkey has announced the following benefit in kind exemption amounts for 2021.

These amounts will impact employees' Gross Social Security amounts if the employer provides the respective benefits in kind.



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SSI Amounts EN Version	SSI Amounts TR Version	Period 2020	Period 2021
SSI Child Allowance Exemption	Çocuk Yardımı İstisnası / SGK	TRY 58.86	TRY 71.55
SSI Family Allowance Exemption	Aile Yardımı İstisnası / SGK	TRY 294.30	TRY 357.75
SSI Meal Allowance Exemption (cash payment)	Yemek Yardımı İstisnası / SGK	TRY 5.89	TRY 7.16
Private Ins + Pension ER Exemption Amounts for SSI Base	Ozel sağlık sigortası ve Isveren BES primi istisnası/prime esas kazanç	TRY 882.90	TRY 1,073.25

Income Tax Brackets and Income Tax Exemptions

Tax Limits and Exemption Amounts EN Version	Tax Limits and Exemption Amounts TR Version	Period 2020	Period 2021
% 15 Tax Amount	%15 Vergi Dilimi	TRY 0.00 - 22,000.00	TRY 0.00 - 24,000.00
% 20 Tax Amount	%20 Vergi Dilimi	TRY 22,000.01 - 49,000.00	TRY 24,000.01 - 53,000.00
% 27 Tax Amount	%27 Vergi Dilimi	TRY 49,000.01 - 180,000.00	TRY 53,000.01 - 190,000.00
% 35 Tax Amount	%35 Vergi Dilimi	TRY 180,000.01 - 600,000.00	TRY 190,000.01 - 650,000.00
% 40 Tax Amount	%40 Vergi Dilimi	TRY 600,000.01 +	TRY 650,000.01 +
Income Tax Meal Allowance Exemption	Yemek Yardımı İstisnası /GV	TRY 24.84	TRY 25.00
Transportation (Card) Allowance Tax Exemption	Yol Yardımı (Kart) İstisnası / GV	TRY 12.00	TRY 13.00
Disability Exemption for 1. Degree	1.Derece Sakatlık İndirimi	TRY 1,400.00	TRY 1,500.00
Disability Exemption for 2. Degree	2.Derece Sakatlık İndirimi	TRY 790.00	TRY 860.00
Disability Exemption for 3. Degree	3.Derece Sakatlık İndirimi	TRY 350.00	TRY 380.00

The amended rates will apply to all wages and salaries earned after January 1, 2021.

Please contact your Mercans' services delivery team for any additional information regarding the implications of the above change.



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They already trust Mercans





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What Makes Mercans your HR and Payroll Partner of Choice?

We Simplify Employment Tasks Worldwide

Everywhere for Everyone

We are a borderless people engagement enabler, driven by technology and innovation. We deliver bespoke human capital management services and global payroll solutions to empower businesses across 110+ countries regardless of their organizations' size and their industry. We pride ourselves on being global people experts with a striking local presence, committed to making your teams happy, and ensuring the consistent and sustainable growth of your organization.

Local Presence. Regional Strategy. Global Success

Supported by 500+ payroll and HR specialists with in-depth local knowledge, Mercans operate globally. Our pioneering human resources consulting services and trailblazing SaaS platforms are already satisfying 5,000+ international clients, ensuring timely measurable results and bottom-line savings. Thanks to success-oriented teams striving for excellence and taking care of our clients' tasks within budget, we have gained the trust of major multinational companies.

A Revolutionary Service Delivery System

Say goodbye to third-party service providers, offshore call centers, fragmented data, and endless chains of sub-contracts.

Mercans cloud-based SaaS Products, HR Blizz™ & Mesar™, combine the performance of proprietary technologies with a human touch. Cost-effective, they are fully-compliant self-service tools, packed with smart built-in features for your peace of mind. All your data are integrated into single interfaces accessible from everywhere and on any device.

Trailblazing Cloud-Based SaaS Products

HR Blizz & Mesar, our Software-as-a-Service platforms, both propose a preconfigured API integration capability with all the major global HRMS platforms, including SuccessFactors, Workday, Oracle HCM, and MS Dynamics. All Mercans systems and processes are GDPR compliant, ISO 9001, 20000, 27001 certified, and SOC 1 and SOC 2 audited. A registered Finpro expert, Mercans is also a member of the Global Payroll Association and the Global Payroll Management Institute.



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