**INCENTIVE PRACTICES IMPOSED BY THE MINISTRY OF CULTURE AND TOURISM WITHIN THE SCOPE OF LAWS NUMBER 5225 AND 5228**

**Real Property Endowment:**

The Regulation on Real Property Endowment for Cultural Investments provides real property endowments to investors and entrepreneurs in order to support their initiatives in the field of culture within the scope of Law Number 5225 on Promotion of Cultural Investments and Initiatives, giving way to the consignment of immovable cultural assets or treasure properties to be endowed to culture investors and entrepreneurs so as to provide the public with more and widespread cultural premises.

**Documentation Procedures:**

The “Regulation on the Documentation and Properties of Cultural Investments and Enterprises” that came into effect within the framework of Law number 5225 certifies those premises that are involved in cultural activities as cultural investments or enterprises to let them make use of the incentives brought by the law. These incentives provide reductions in income tax withholdings and employers’ share of social security premiums as well as natural gas, power and water price support to the investors/entrepreneurs of such premises within the framework of the “Regulation on Providing Energy Cost Support and Reductions in Income Tax Withholdings, Employers’ Share of Social Security Premiums and Water Prices for Cultural Investments and Enterprises”.

**Sponsorship Activities:**

In order to promote cultural activities, Law number 5228 on “Amendments to Certain Enactments and to Statutory Decree Number 178” and Circular number 2005/13 on “Promotion of Sponsorship Activities in the Field of Culture” bring about some tax advantages to those natural and legal persons who support such activities. All the expenditures made as well as all kinds of donations and grants within the above mentioned framework will be subject to a 100% reduction from company earnings at the corporate tax base assessment (Corporate Tax Law) and from declared revenues of income tax return at income tax base assessment (Income Tax Law).