

GUIDELINE ON COMPANY
FORMATION IN TÜRKİYE
(2026 EDITION)

Table of Contents

1. Introduction and Key Points for 2026	3
1.1. Key Changes Investors Should Know	3
1.2. Choosing the Company Type	4
2. Step-by-Step Formation Procedure	6
2.1. Step 1 – Preparing the Articles of Association on MERSIS	6
2.2. Step 2 – Executing the Company Documents	7
2.3. Step 3 – Obtaining Tax Identification Numbers	8
2.4. Step 4 – Paying the Competition Authority Share	8
2.5. Step 5 – Depositing the Capital	8
2.6. Step 6 – Applying for Registration at the Trade Registry Directorate	9
2.7. Step 7 – Registration with the Tax Office	10
2.8. Step 8 – Signature Circular and Commercial Books	10
2.9. Indicative Timeline	10
3. After Registration: Compliance and Practical Matters	11
3.1. Main Obligations after Registration	11
3.2. Practical Considerations	12
3.3. Existing Companies: Capital Increase by 31 December 2026	12

GUIDELINES

GUIDELINE ON COMPANY
FORMATION IN TÜRKİYE

1. Introduction and Key Points for 2026

Türkiye offers a fast and largely digital company formation procedure. All trade registry transactions are carried out through MERSIS (Central Registry Record System) of the Ministry of Trade, and once the documents are complete a joint stock company (anonim şirket, A.Ş.) or a limited liability company (limited şirket, Ltd. Şti.) can usually be registered within a few business days. Foreign investors follow the same procedure as Turkish investors: under the Foreign Direct Investment Law No. 4875 they enjoy national treatment, may hold 100% of the shares of a Turkish company and may freely transfer profits, dividends and sale or liquidation proceeds abroad.

When establishing a company in Türkiye, one needs to adhere to the rules and regulations explained in this guide. The guide has been updated to reflect the legislation and practice in force as of October 2026, including the new minimum capital amounts, the signing of documents before the Trade Registry without notarisation, the electronic payment of the Competition Authority share and the electronic commercial books that are mandatory for companies registered from 1 January 2026.

Company Formation at a Glance (2026)

**TRY 250,000**

Minimum capital of a joint stock company (A.Ş.)

**TRY 50,000**

Minimum capital of a limited liability company (Ltd. Şti.)

**TRY 500,000**

Minimum capital under the registered capital system

**0.04%**

Competition Authority share on the capital

**25%**

Cash capital of a joint stock company paid before registration

**24 months**

Period for paying the remaining capital

**1**

Shareholder is sufficient for both company types

**2-4 weeks**

Typical time to become fully operational

1.1. Key Changes Investors Should Know

Compared with earlier practice, the following points are the most relevant for investors planning to establish a company in 2026:



Higher minimum capital:

Since 1 January 2024, the minimum capital is TRY 250,000 for joint stock companies (TRY 500,000 under the registered capital system) and TRY 50,000 for limited liability companies.



No mandatory notarisation:

The articles of association can be signed electronically on MERSIS or before the Trade Registry Directorate, and signature declarations are given before the Trade Registry; notarisation remains optional.



Electronic Competition Authority payment:

Since October 2024, the 0.04% Competition Authority share can be paid through the Fee Tracking System (HTS) of TOBB via MERSIS.



Electronic commercial books (ETDS):

Companies registered from 1 January 2026 keep their share ledger and general assembly meeting and minutes book electronically; the books are opened automatically upon registration.



Online tax numbers for foreigners:

Foreign founders and directors can obtain their Turkish tax identification number online through the Interactive Tax Office, usually within the same day.



Capital increase deadline:

Existing companies whose capital is below the current minimum must increase it by 31 December 2026; otherwise they are deemed dissolved (see Section 3.3).

1.2. Choosing the Company Type

Although the Turkish Commercial Code No. 6102 (TCC) provides for five company types, foreign investors almost always choose a joint stock company or a limited liability company, because only these two types combine legal personality with liability limited to the capital subscribed. A single shareholder, who may be a real person or a legal entity of any nationality, is sufficient for both types. In addition, a foreign company may operate through a branch registered with the Trade Registry or, for non-commercial activities, a liaison office licensed by the Ministry of Industry and Technology. The main differences between the two company types are summarised below.

Table 1: Joint Stock Company and Limited Liability Company Compared (2026)

	Joint Stock Company (A.Ş.)	Limited Liability Company (Ltd. Şti.)
Shareholders	Minimum 1, no upper limit	Minimum 1, maximum 50
Minimum capital	TRY 250,000 (TRY 500,000 for non-public companies adopting the registered capital system)	TRY 50,000
Capital payment	At least 25% of cash capital before registration; balance within 24 months	No payment required before registration; full payment within 24 months
Management	Board of directors with one or more members (shareholding, Turkish citizenship or residence not required)	One or more managers, at least one of whom must be a shareholder
Share transfer	Free as a rule; no notarial or registry formality for registered shares	Notarised share transfer agreement, general assembly approval and trade registry registration

	Joint Stock Company (A.Ş.)	Limited Liability Company (Ltd. Şti.)
Liability for public debts	No personal liability of shareholders (board members may be liable)	Shareholders personally liable in proportion to their capital share; managers also liable
Capital gains of individual shareholders	Exempt if share certificates are held for more than two years	Taxable
Public offering / bonds	Possible	Not possible
Corporate income tax / dividend WHT (2026)	25% (30% for financial institutions) / 15% (treaty rates may apply)	25% / 15% (treaty rates may apply)

In practice, the joint stock company is recommended for operating companies with several shareholders, companies that plan to raise external financing, and cases where the shareholders wish to avoid personal liability for public debts; the limited liability company is often preferred for small subsidiaries because of its lower capital requirement and simpler governance.



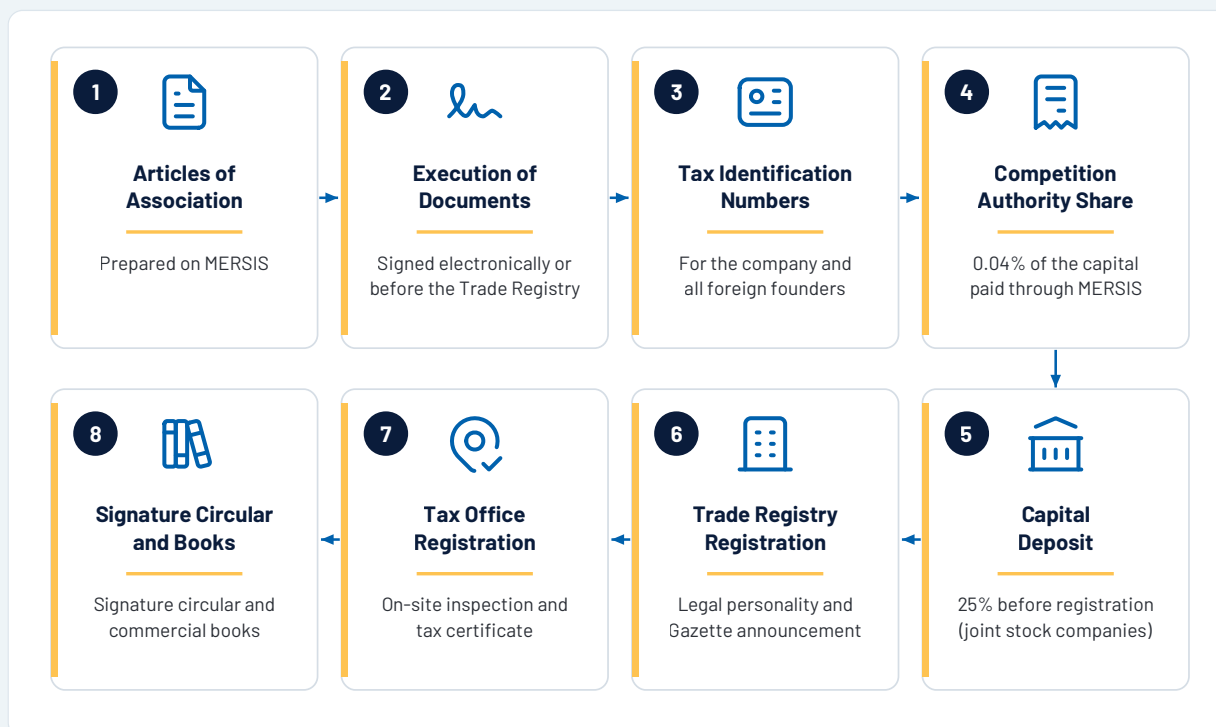
GUIDELINES

GUIDELINE ON COMPANY
FORMATION IN TÜRKİYE

2. Step-by-Step Formation Procedure

The formation of a company in Türkiye consists of eight main steps, which are summarised in the figure below and explained in detail in the following sections. Steps 1 to 6 are completed before registration; steps 7 and 8 complete the set-up of the company after registration.

Figure 1: Company Formation Process in Türkiye



2.1. Step 1 – Preparing the Articles of Association on MERSIS

Pursuant to the Trade Registry Regulation, trade registry transactions must be carried out through MERSIS, the central information system in which commercial registry processes are performed and commercial registry data

are stored electronically. A unique MERSIS number is assigned to every legal entity registered in the system, and new companies are established online on MERSIS.

The founders or their attorney create the incorporation application on MERSIS and enter the trade name (whose availability is checked by the system), the registered address, the field of activity and the related NACE codes, the capital and the shareholding structure, the members of the board of directors or the managers, and the persons authorised to represent the company. The articles of association are generated on the basis of the standard templates of the Ministry of Trade and checked by the system for compliance with the legal requirements. For companies registered from 1 January 2026, a real person who will act as the user of the Electronic Commercial Books System (ETDS) is also designated at this stage.¹

Certain regulated activities (such as banking, insurance, financial leasing, factoring, financing, payment services and authorised foreign exchange activities) require the prior permission of the Ministry of Trade and/or the competent regulator for incorporation; in such cases the permission letter must be obtained before the registration application.

2.2. Step 2 – Executing the Company Documents

The articles of association no longer need to be notarised in several original copies. The founders (or their attorneys) sign the articles of association either electronically on MERSIS with a secure electronic signature, or in person before the officials of the Trade Registry Directorate; signing before a Turkish notary or a Turkish consulate abroad remains possible. Likewise, the signature declarations of the persons authorised to represent the company are given before the Trade Registry Directorate (or a notary), and notarised signature declarations are no longer required for registration.

The following documents are generally required from foreign founders:

Table 2: Documents Required from Foreign Founders

Foreign real person shareholder	Foreign legal entity shareholder
Copy of the passport, with a notarised Turkish translation	Certificate of activity (good standing) issued by the competent authority in the investor's country, showing the current status and the authorised signatories of the company
Turkish tax identification number (see Step 3)	Resolution of the competent corporate body authorising the establishment, stating any specific conditions (trade name, field of activity, capital, representatives, etc.) for the sake of clarity
Residence address and contact details	If the legal entity will be a board member or manager: resolution designating the real person who will act on its behalf, including his or her residence address, passport or ID number and Turkish tax identification number
Power of attorney, if the founder will be represented by an attorney	Power of attorney authorising the persons who will sign and follow up the application before the Trade Registry Directorate and other authorities

In addition, non-shareholder members of the board of directors (or non-shareholder managers) must submit a written statement accepting their appointment, including their residence address, ID or passport number and Turkish tax identification number, together with a copy of their passport.

All documents issued and executed outside Türkiye must be notarised and apostilled (for countries party to the Hague Apostille Convention) or legalised by the Turkish consulate in the country where they are issued. The original executed, notarised and apostilled documents must then be translated into Turkish by a sworn translator

¹ Communiqué on Keeping Non-Accounting Commercial Books Electronically, Official Gazette No. 32813 dated 14 February 2025, as amended by the Communiqué published in Official Gazette No. 33023 dated 20 September 2025.

and the translation notarised by a Turkish notary. Since the legalisation of foreign documents usually takes the longest time in the whole process, it is advisable to start this step first.

2.3. Step 3 – Obtaining Tax Identification Numbers

Every foreign shareholder, board member, manager and person authorised to represent the company must have a Turkish tax identification number. Foreign individuals can obtain a tax identification number online through the Interactive Tax Office of the Revenue Administration or in person at any tax office by presenting their passport, usually within the same day; foreign legal entities obtain their tax identification number from the tax office upon presentation of their translated and apostilled certificate of activity. The application can also be made by an attorney holding a power of attorney.

A potential tax identification number must also be obtained for the company to be incorporated. This number is required, in particular, for opening the bank account in which the capital of a joint stock company is deposited before registration. The documents generally requested by the tax office are:

- » a petition requesting the potential tax identification number;
- » the articles of association prepared on MERSIS;
- » a copy of the lease agreement or title deed showing the registered address of the company; and
- » where the process is followed by an attorney, a power of attorney specifically authorising the attorney to act before the tax authority.

2.4. Step 4 – Paying the Competition Authority Share

Pursuant to Article 39 of the Law No. 4054 on the Protection of Competition, an amount equal to 0.04% of the capital of the company must be paid to the Competition Authority at incorporation (and at each capital increase). Since October 2024, this payment can be made electronically through the Fee Tracking System (HTS) operated by the Union of Chambers and Commodity Exchanges of Türkiye (TOBB) via the MERSIS interface, in addition to collection by the Trade Registry Directorates; the receipt generated by the system, showing the trade name, the amount paid and the payment details, or the MERSIS document showing that the payment has been made, is accepted as proof of payment.² The registration cannot be completed on MERSIS before the Competition Authority share has been paid. For a joint stock company with the minimum capital of TRY 250,000, the amount is TRY 100; for a limited liability company with the minimum capital of TRY 50,000, it is TRY 20.

2.5. Step 5 – Depositing the Capital

For a **joint stock company**, at least 25% of the nominal value of the shares subscribed in cash (and any issue premium in full) must be deposited before registration in a bank account opened in the name of the company in formation, and the bank letter confirming the deposit is submitted to the Trade Registry Directorate. The remaining 75% of the subscribed capital must be paid within 24 months following registration; alternatively, the capital may be paid in full before registration. The amount blocked at the bank is released to the company after registration.

For a **limited liability company**, no payment is required before registration: the capital must be paid in full within 24 months following registration, unless the articles of association provide for an earlier date. Capital brought from abroad by foreign shareholders should be transferred through a bank in foreign currency, and the related bank documents should be retained as evidence of the foreign direct investment.

If capital is contributed in kind, the following documents are additionally required: the valuation report of the court-appointed expert, the statement of the relevant registry indicating that there is no restriction on the asset

contributed, and the document showing that the necessary annotations have been made in the relevant registries.

2.6. Step 6 – Applying for Registration at the Trade Registry Directorate

After the preceding steps have been completed, the application is submitted through MERSIS to the Trade Registry Directorate of the place where the company's headquarters is located. The documents to be submitted are listed below for convenience.

Table 3: Documents Required for the Registration Application

Joint Stock Company (A.Ş.)	Limited Liability Company (Ltd. Şti.)
Petition requesting registration, generated on MERSIS	Petition requesting registration, generated on MERSIS
Articles of association signed electronically or before the Trade Registry Directorate (or a notary)	Articles of association signed electronically or before the Trade Registry Directorate (or a notary)
Founders' declaration	Not required
Bank letter confirming that at least 25% of the cash capital has been deposited	Not required (no pre-payment of capital)
Proof of payment of the Competition Authority share (0.04% of the capital)	Proof of payment of the Competition Authority share (0.04% of the capital)
Signature declarations of the persons authorised to represent the company	Signature declarations of the managers
Written acceptance statements of non-shareholder board members	Written acceptance statements of non-shareholder managers
If a legal entity is a board member: resolution designating its real person representative	If a legal entity is a manager: resolution designating its real person representative
Chamber of commerce or industry registration declaration	Chamber of commerce or industry registration declaration
Documents of foreign founders (Table 2), apostilled or legalised and translated	Documents of foreign founders (Table 2), apostilled or legalised and translated
Permission letter of the Ministry of Trade or the relevant regulator, where required	Permission letter of the Ministry of Trade or the relevant regulator, where required
Documents relating to capital in kind and written agreements between the founders regarding the establishment, if any	Documents relating to capital in kind and written agreements between the founders regarding the establishment, if any

The trade registry fees, the chamber registration fee and the announcement fee for the Turkish Trade Registry Gazette are paid during the application. When the file is complete, the registration is usually made on the same day or within a few business days, and the company acquires legal personality upon registration. The incorporation is announced in the Turkish Trade Registry Gazette, and the company is registered as a member of the relevant chamber of commerce or industry.

Following registration, the Trade Registry Directorate notifies the relevant tax office and the Social Security Institution (SGK) of the incorporation ex officio, so that no separate start-of-business notification is required. For companies registered from 1 January 2026, the electronic share ledger and the electronic general assembly meeting and minutes book are also opened automatically in ETDS upon registration.

2.7. Step 7 – Registration with the Tax Office

Upon the notification of the Trade Registry Directorate, the tax office registers the company as a corporate taxpayer and a tax officer visits the registered address of the company to carry out an on-site inspection and prepare a determination report. At least one person authorised to sign on behalf of the company should be present at the address and sign the determination report, and the address should be ready to be used as the place of business (a serviced or virtual office may be used, but it is also inspected). Following the inspection, the company's tax registration certificate (vergi levhası) is obtained electronically through the Interactive Tax Office.

Corporate taxpayers must also apply for an electronic notification (e-Tebligat) address, since all notifications of the tax administration are made electronically. Companies that will issue e-invoices and keep electronic ledgers obtain a financial e-seal (mali mühür) and enrol in the e-Invoice and e-Ledger systems, either because they exceed the statutory thresholds or voluntarily from the start, as e-documents are required by most large customers and public institutions.

2.8. Step 8 – Signature Circular and Commercial Books

After the company is registered, the persons authorised to represent the company usually also issue a notarised signature circular, which banks, public authorities and business partners commonly request together with the Trade Registry Gazette and the certificate of activity.

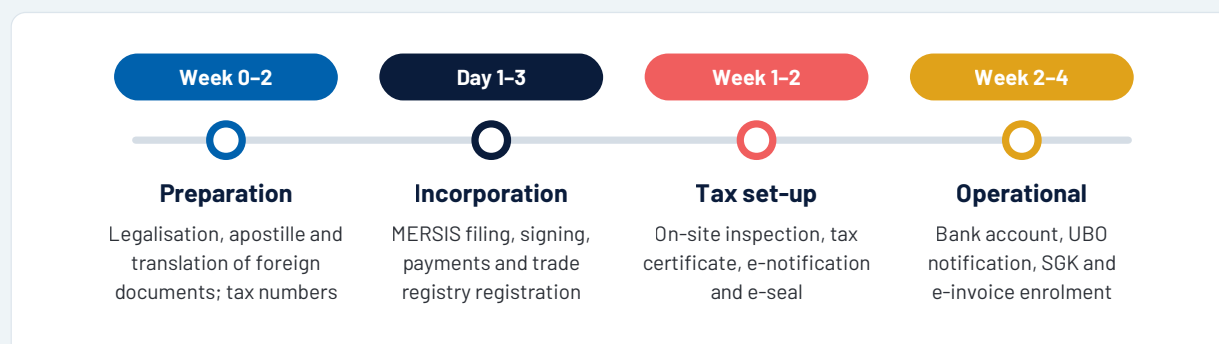
The commercial books of companies registered from 1 January 2026 are kept as follows:

- » **Share ledger and general assembly meeting and minutes book:** kept electronically in ETDS and opened automatically upon registration, without any separate opening approval;
- » **Board of directors (or managers) resolution book:** may be kept electronically in ETDS on a voluntary basis or in physical form with a notarial opening approval; and
- » **Accounting books (journal, general ledger and inventory book):** certified by a notary before use, unless they are kept as electronic ledgers (e-Defter) under the Tax Procedure Law.

2.9. Indicative Timeline

With complete documents, the registration of a company is typically completed within a few business days, and a company can be fully operational (including the bank account, tax registration and e-invoice enrolment) within two to four weeks. The indicative timeline below assumes that the documents of the foreign founders are prepared in parallel with the MERSIS application.

Figure 2: Indicative Timeline for a Foreign-Owned Company



GUIDELINES

GUIDELINE ON COMPANY
FORMATION IN TÜRKİYE

3. After Registration: Compliance and Practical Matters

The registration of the company is followed by a number of tax, social security and reporting obligations that must be fulfilled within short deadlines.

3.1. Main Obligations after Registration

The table below summarises the main obligations of a newly established company in 2026.

Table 4: Main Obligations of a Newly Established Company (2026)

Obligation	Timing	Authority
On-site inspection, tax registration certificate and e-notification (e-Tebliğat) address	Immediately after registration	Tax office / Revenue Administration
Ultimate beneficial owner notification (real persons holding more than 25% of the shares or otherwise controlling the company)	Within one month from the start of tax liability and within one month of any change	Revenue Administration (Interactive Tax Office)
Payment of the remaining capital	Within 24 months following registration	Company / Trade Registry
Registration as an employer and employment declarations	Before the first employee starts work (at least one day before)	Social Security Institution (SGK)
Work permits for foreign managers and employees	Before the foreign national starts working	Ministry of Labour and Social Security
Monthly VAT return (No. 1) and payment	By the 28th day of the following month	Tax office
Monthly withholding and premium service return	By the 26th day of the following month	Tax office / SGK
Quarterly advance corporate tax returns	By the 17th day of the second month following each of the first three quarters	Tax office
Annual corporate income tax return	By the end of the fourth month following the fiscal year (30 April)	Tax office
Foreign direct investment information forms (for foreign-invested companies)	Electronically through E-TUYS within the statutory periods	Ministry of Industry and Technology

Obligation	Timing	Authority
Registration with the relevant Exporters' Association (for exporters)	Before the first export	Exporters' Association

Under Tax Procedure Law General Communiqué No. 529, all corporate taxpayers must notify the Revenue Administration of their ultimate beneficial owners through the Interactive Tax Office; failure to comply is subject to special irregularity penalties. Companies that exceed at least two of the three independent audit thresholds in two consecutive fiscal years (for fiscal years beginning on or after 1 January 2026: total assets of TRY 500 million, annual net sales revenue of TRY 1 billion and 150 employees) become subject to independent audit.

3.2. Practical Considerations



Start with foreign documents:

Apostille or consular legalisation and sworn translation take the longest time; powers of attorney should cover the trade registry, tax office, bank, SGK and notary procedures.



Registered address:

A lease agreement or title deed is needed for the potential tax number and the on-site inspection; leases of companies in which non-residents hold 50% or more may be denominated in foreign currency.



Tax numbers for everyone:

Every foreign shareholder, director, signatory and ultimate beneficial owner needs a Turkish tax identification number before the bank account can be opened.



Local presence:

Banks usually prefer to complete KYC procedures face to face with a representative who has a local address and a Turkish mobile phone number.



Capital from abroad:

Capital should be transferred in foreign currency through a bank, and the bank documents retained as evidence of the foreign direct investment.



Licensed activities:

Check before the MERSIS application whether the activity requires a permission of the Ministry of Trade or a sector licence, since this affects both timing and documents.

3.3. Existing Companies: Capital Increase by 31 December 2026

Joint stock companies and limited liability companies incorporated before 2024 whose capital is below the current minimum amounts must increase their capital to at least TRY 250,000 (joint stock companies) or TRY 50,000 (limited liability companies) by 31 December 2026; non-public joint stock companies in the registered capital system must reach TRY 500,000.³ For these capital increases, the general assembly may resolve without any meeting quorum by the majority of the votes present, and privileged shares do not confer any veto. Companies that fail to complete the increase by the deadline are deemed dissolved, and non-public joint stock companies that do not reach the required capital are deemed to have exited the registered capital system. Companies that have not yet completed the increase should act without delay.

³ Turkish Commercial Code No. 6102, Provisional Article 15, as amended by Law No. 7511; Presidential Decree No. 7887, Official Gazette dated 24 November 2023.



ABOUT US

Level International is a professional services firm with offices in Istanbul and Amsterdam, providing comprehensive and qualified tax, legal and consultancy services to domestic and multinational companies and to private clients in Türkiye, the Netherlands and across borders.

Our firm offers fast, effective and up-to-date solutions with a result-oriented approach in the context of ever-changing and increasing needs. We closely monitor current tax and legal developments and changing legislation and provide top-quality services tailored to the needs of individual and corporate clients within the framework of professional ethics and social values.

Level International aims to provide added value to its clients with its business discipline and regular follow-up, and aims at sustainable success with the right values, working culture and principles. Considering our team as part of our clients' teams and a strategic solution partner, providing high-quality service with a flexible working approach and the satisfaction of our clients are the most important factors for us.

Level International places importance on specialisation as an innovative firm. One of the points that differentiates us is that we focus on the areas in which we are most experienced: international tax and transfer pricing, Turkish and Dutch corporate tax, tax disputes and advance rulings, VAT refunds, Pillar Two compliance, market entry and corporate structuring, company formation and accounting, payroll and tax compliance outsourcing, relocation and citizenship advisory for individuals, and management consulting. Through our Amsterdam office we support Dutch holding and financing structures of Turkish groups and the Turkish operations of Dutch and European investors.

With our strong international network of independent member firms, we serve as a reliable business partner giving our clients access to experienced professionals all over the world.



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He has published many articles in the fields of international tax and transfer pricing in Turkish and international publications and is the author of the book "Transfer Pricing Practices Guidelines". Ramazan holds an Advanced LL.M. degree in International Tax Law from Leiden University in the Netherlands, speaks fluent English and holds the CPA and Public Internal Auditor licences.



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Areas of expertise

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- » Turkish tax practice
- » Turkish accounting standards (Turkish GAAP) and tax legislation
- » Tax and statutory reporting
- » Multi-currency consolidations
- » Payroll management and regulatory compliance
- » Management of accounting and tax processes through outsourcing



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