

CLIENT ALERT

EMPLOYMENT | TURKEY

JANUARY 2022

PRACTICAL INFORMATION GUIDE FOR 2022 | EMPLOYMENT AND LITIGATION IN TURKEY

You will find below some practical information regarding employment and litigation practices that will be applicable in 2022. Please note that the information mentioned is updated every year, in accordance with the legislation.

LABOUR AND SOCIAL SECURITY LAW

Minimum Living Allowance

MINIMUM LIVING ALLOWANCE
The Minimum Living Allowance has been repealed as of 1 January 2022.

Minimum Wage

Information on the minimum wage to be applied between 01.01.2022 and 31.12.2022:

GROSS AMOUNT OF DAILY AND MONTHLY MINIMUM WAGE	
Minimum Wage Daily Amount	Minimum Wage Monthly Amount
TRY 166.80	TRY 5,004

LEGAL DEDUCTIONS ON MINIMUM WAGE	
Gross Wage	TRY 5,004
Employee Share of Insurance Premium (%14)	TRY 700.56
Employee Contribution to Unemployment Insurance (%1)	TRY 50.04
Income Tax and Stamp Duty	TRY 0
Net Minimum Wage	TRY 4,253.40

MINIMUM WAGE TOTAL COST FOR EMPLOYER	
Minimum Wage	TRY 5,004
Employer Share of Insurance Premium (20.5%)	TRY 1,025.82
Employer SSI Incentive (5%)	TRY (-250.20)
Employer Unemployment Insurance Fund (2%)	TRY 100.08
Total Cost for Employer	TRY 5,879.70

Severance Pay

The maximum gross wage amount to be used as basis for calculating severance pay has increased to TRY 10,596.74 per month, applicable from 01.01.2022 to 30.06.2022. This amount will be valid only for the first semester of 2022. The amount for the second semester will be determined at a later time.

Severance pay is paid to the employee less 0.759% stamp duty taken from the gross wage. No other deductions are made from severance pay.

Maximum and Minimum Insurance Premium Fees

Maximum and minimum insurance premium fees to be applied between 01.01.2022 and 31.12.2022:

MAXIMUM AND MINIMUM INSURANCE PREMIUM FEES	
Maximum Fee	Minimum Fee
TRY 37,530	TRY 5,004

Administrative/Monetary Fines For Unlawful Acts as per Labour Law No. 4857

UNLAWFUL ACT	ADMINISTRATIVE FINE
Violation of the obligation to notify the workplace	TRY 47,409 (separately for the principal and sub-employer or their representatives who notify the workplace)
Violation of the equal treatment principle for employees	TRY 397 (per employee affected)
Violation of temporary employment relationship obligations	TRY 664 (per employee affected)
Violation of article 7/2-f regarding temporary employment relationship	TRY 2,656
Violation of the obligation to provide a written document regarding the content of the employment contract	TRY 397 (per employee affected)
Violation of the on-call and remote work provisions	TRY 397 (per employee affected)
Violation of the obligation to provide an Employment Certificate	TRY 397 (per employee affected)
Violation of the collective dismissal procedure	TRY 1,559 (per employee affected)
Violation of the obligation regarding employment of disabled and ex-convict employees	TRY 5,917 (per unemployed disabled and ex-convict per month)

Intentionally failing to pay or partially paying the fee arising from this law, the collective bargaining agreement or employment agreement	TRY 429 (per employee affected, per month)
Violation of the obligation to pay fees, premiums, bonuses and all other benefits to a specially opened bank account	TRY 429 (per employee affected, per month)
Violation of the obligation to issue a pay slip	TRY 1,559
Violation of the obligation to impose an illegal fee deduction or to not report the reason and of the deduction	TRY 1,559
Violation of the obligation to pay the minimum fee, or underpaying the minimum fee	TRY 429 (per employee affected, per month)
Violation of the obligation to pay the fee for overtime work, to allow the employee to use the free time he/she deserves within six months, to get the consent of the employee for overtime work	TRY 755 (per employee affected)
Violation of the obligation to distribute the document about the percentage to the representative	TRY 1,559
Violation of the obligation to divide annual paid leave days unlawfully	TRY 755 (per employee affected)
Violation of the obligation to pay the annual leave fee, or underpaying the annual leave fee	TRY 755 (per employee affected)
Violation of the obligation to pay the annual leave fee to the employee whose employment agreement has been terminated	TRY 755 (per employee affected)
Violation of the obligation to allow employees to use annual leave according to the essential procedures of the annual leave regulation	TRY 755 (per employee affected)
Violation of the obligation to comply with working hours and the provisions of the relevant regulation	TRY 4,173
Violation of the obligation to comply with compensatory work procedures	TRY 755 (per employee affected)
Violation of the obligation to give a rest break to the employee	TRY 4,173
Violation of the obligation to not work employees for more than 7.5 hours at night, and to change day and night shifts	TRY 4,173
Violation of the prohibition of child employment	TRY 4,173
Violation of the prohibition regarding underground and underwater employment	TRY 4,173

Violation of the obligation to not employ children and young people at night	TRY 4,173
Violation of the obligation to not work women during pre/postnatal periods, or to give unpaid leave	TRY 4,173
Violation of the obligation to issue the personal file of employee	TRY 4,173
Violation of regulations-related working hours	TRY 4,173
Violation of the obligation to show the necessary documents and evidence, to provide everything Labour Inspectors need to perform their duties (paragraph 92/1), and to carry out their orders and requests without delay	TRY 37,928
Violation of the obligation to not influence employees on their statements, to not force them to hide or change the truth, to not behave inappropriately towards them when they testify to the relevant authorities	TRY 37,928
Violation of the obligation to not prevent investigation and inspection duties of Labour Inspectors	TRY 37,928

Administrative Fines For Unlawful Act, According to the International Labour Force Law No. 6735

WRONGFUL ACT	AMOUNT OF PENALTY
To employ a foreigner without a work permit	TRY 16,066 (per foreign employee)
To work dependently without a work permit	TRY 6,423 (per foreign employee)
To work independently without a work permit	TRY 12,854 (per foreign employee)
To work independently and with indefinite work permit without fulfilling the notification obligation stipulated by law in due time, and to employ foreign employees under these conditions	TRY 1,067 (per foreign employee and per employer)

MONETARY LIMITS FOR 2022 UNDER CIVIL PROCEDURE LAW, ADMINISTRATIVE PROCEDURE LAW, AND EXECUTION AND BANKRUPTCY LAW

Monetary Limit of Proving by Deed	Monetary Limit for an appeal request before the Court of Appeal	Monetary Limit for an appeal request before the Court of Cassation
TRY 6,640	TRY 8,000	TRY 107,090

Monetary Limit for hearing requests before the Court of Cassation	Monetary Limit for appeal requests before Court of Appeals (practised in Execution Courts)	Monetary Limit for appeals requests before the Court of Cassation (practised in Execution Courts)
TRY 160,660	TRY 18,710	TRY 107,090

Monetary Limit for appeals requests before Council of State (practised in administrative jurisdiction)	Monetary Limit for appeals requests before Court of Appeal (practised in administrative jurisdiction)	Monetary Limit for hearing requests before the Council of State
TRY 261,000	TRY 9,000	TRY 77,000

INCOME TAX CALCULATIONS

Income brackets used to calculate income tax rates have been reviewed for 2022 as follows. Please note that the rates up to 5 percent have been deleted:

INCOME TAX RATES			
Income Scales (Fee Income)	Tax Rates	Income Scales (Non-Fee Income)	Tax Rates
Up to TRY 32,000	15%	Up to TRY 32,000	15%
TRY 32,000 - TRY 70,000	20%	TRY 32,000 - TRY 70,000	20%
TRY 70,000 - TRY 250,000	27%	TRY 70,000 - TRY 170,000	27%
TRY 250,000 of TRY 880,000	35%	TRY 170,000 - TRY 880,000	35%
TRY 880,000 and over	40%	TRY 880,000 and over	40%

INTEREST RATE DEVELOPMENTS

According to a declaration from the Central Bank of the Republic of Turkey, for 2022 the base per-annum rate of default interest applicable for late payment in the supply of goods and services, as set out in Article 1530 section 7 of the Turkish Commercial Law, has not been changed and remains stable at 17.25%. This default interest rate applies where commercial contracts do not set a different rate of default interest, or where relevant provisions have become invalid.

REVALUATION RATE DEVELOPMENTS

The revaluation rate for 2022 has been set at 36.2% in accordance with paragraph (b) of the repeated article 298 of the Tax Procedure Law No. 213. This means that all the administrative fines stated in the respective Laws (including Labour Law No. 4857 and Consumer Protection Law No. 6502) have been updated with the above rate.



In compliance with Turkish bar regulations, opinions relating to Turkish law matters that are included in this client alert have been issued by Özdirekcan Dündar Şenocak Ak Avukatlık Ortaklığı, a Turkish law firm acting as correspondent firm of Gide Loyrette Nouel in Turkey.

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