

## **Comparison of Revaluation Procedure of Properties**

The value of the economic assets included in the records of the enterprises whose earnings are determined on the basis of the balance sheet basis remains as the value at acquisition date according to TPL (Tax Procedure Law) and cannot present its real value. Under article 5 of Law No. 7144, Provisional Article 31 have been added to Tax Procedural Law No. 213 and it enables to revalue the immovable properties. The entrepreneurs will be able to increase their value by multiplying their immovable assets by the maximum value of 2.9772 based on the date they are activated. However, 5% tax is required on the net value increase. The negativity of the amount of tax shall be deducted from the amortisation calculated on the increased value in the long term. With this application, the assets and equity amounts of the companies will go up and the equity / liability ratio will increase so that their credibility will increase therefore, they will be able to use the loans more easily. The economic assets used in TAS (Turkish Accounting Standarts) revaluation applications are not only immovables but all tangible assets. The main aim is to raise or lower the relevant asset to the value of the market. Although there is no tax payment in the revaluation increase due to the valuation of tangible assets, it is possible to increase the tax assessment due to the value increase in the value of investment properties appreciation and the income recording. Reviews made on the financial statements of the BIST 100 index show that 12 enterprises valued their tangible fixed assets and / or investment properties according to the method of revaluation of tangible fixed assets and / or investment properties in 2007 and this number reached to 56 in 2017.