

TÜRKİYE'DE COVID-19 PANDEMİSİ SIRASINDA KONAKLAMA İŞLETMELERİNE SAĞLANAN FİNANSAL DESTEKLERİN ANALİZİ¹²

EVALUATION OF FINANCIAL SUPPORTS TO HOSPITALITY BUSINESSES DURING COVID-19 PANDEMIC IN TURKEY

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Öz

Dünya genelinde milyonlarca insanın hayatını etkileyen ve yüzbinlerce insanın ölümüne neden olan COVID-19 virüsü turizm sektörünü de olumsuz etkilemiştir. Bu çalışmanın amacı, Türkiye'de COVID-19 salgını sırasında konaklama işletmelerinin korunması için farklı kamu kurumları tarafından ilan edilen mali destekleri incelemek ve bu desteklerin turizm sektörünün korunması için uygun olup olmadığını tartışmaktır. Bu tedbirler incelendiğinde, doğrudan parasal ödemelerden ziyade mali politikalara dayalı tedbirler olduğu anlaşılmaktadır. Bu durum, devlet ve diğer kurumlar tarafından turizm işletmelerine sağlanan destek ve teşviklerin devam etmesi gerektiğini göstermektedir.

Anahtar Kelimeler: Turizm, Konaklama işletmeciliği, Finansal Destekler, Covid-19, Türkiye

JEL Sınıflaması: Z30, Z33, E62

Abstract

The COVID-19 virus, which affects the lives of millions of people globally and causes the death of hundreds of thousands, has adversely affected the tourism industry. The aim of this study is to examine financial supports during the COVID-19 outbreak has been declared by various tourism associations and state institutions for the protection of hospitality businesses in Turkey and is to discuss whether these supports are appropriate. Within the scope of the study, financial incentives and support elements offered to the use of tourism enterprises were analyzed and compiled with content analysis method. When these measures are examined, it is understood that these are fiscal measures rather than direct monetary payments. This indicates the need for the continuation of the support and incentives provided to tourism enterprises by the government and other institutions.

Keywords: Tourism, Hospitality, Financial Support, Covid-19, Turkey

JEL Classification: Z30, Z33, E62

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1. Introduction

At the end of 2019, the COVID-19 outbreak in Wuhan, China, has spread all over the world. In addition to directly threatening human health, this epidemic has reduced or even stopped the activities of many sectors due to various restrictions. In the economic system, where errors occur in the system when even one of the wheels stops, the negative economic impact has started to spread gradually with breaks in the chain of activities in which the supply of raw materials and the sale of final products are connected to each other. For tourism, which is one of the employment-intensive sectors, this effect may be greater. Tourism, which is not included in the basic needs for Human, is usually the first product that its consumer gives up in critical situations. This pandemic also started a negative process for tourism. The reason for this is that the perceptions of cleanliness and health safety, which are effective in making travel decisions, may continue to have an impact over the next year (Nazneen, Hong & Ud Din, 2020: 1). Although the vaccination process for the virus continues, its mutated variations continue to cause anxiety. Therefore, creating tourism demand in the short term and exiting the crisis is one of the most important problems in front of the tourism sector (Atay, 2020: 170). In order to ensure the survival of businesses in times of Crisis, Crisis Management preparations must be made by governments and various institutions and organizations. In this preparation, from a long-term perspective, cooperation should be established with successful communication with all channels that interact, such as staff, customers, investors, supply chains (Rivera, 2020: 1). In this way, various medium-and long-term plans can be made to keep the economy in balance, and social and economic development will be supported (Nicola et al., 2020: 190).

Reducing health concerns and ensuring public safety, as well as maintaining the reliability of tourism regions, which are one of the criteria for choosing destinations, is a requirement to prevent the spread of the virus (Ying et al., 2020: 4). It is important for employment and economic stability that the tourism sector can continue smoothly after the pandemic. In this context, measures created to keep Turkey's tourism mobility alive, support and incentive packages to keep hospitality businesses afloat were discussed in the study. For developing countries, tourism revenues are of greater economic importance. Tourism has many advantages, such as creating employment and developing other sectors by providing regional development. The epidemic has shown similar results to those in human history. Due to the pandemic, economic, environmental, social and political changes are observed.

Covid-19, one of the most important epidemics of the last century, is expected to affect many sectors at different levels, causing a global recession that will last for months, perhaps years. The epidemic has directly affected the tourism sector, causing many issues such as travel patterns, consumer behavior, and destination choices to change. As a result of travel bans and large-scale and long-term restrictions on public mobility, which affect almost all of the world's population, tourism mobility has slowed significantly since March 2020 (Gössling et al., 2020:1). The occupancy rate of hospitality businesses in Europe was 26.3% in March 2020 and this is the second the lowest level since World War II and it is one of the indicators of how lost the sector is. (www.turob.com.tr).

As with all over the world, the pandemic has significantly negatively affected tourism activities in Turkey. It is an inevitable necessity for the sector to be supported by the government to recover from the devastating impact it has suffered. Analysis of the government's support for the sector during this period is necessary for the design of more appropriate support policies. On the other hand, benchmarking with different country applications is also necessary for a similar reason.

COVID-19 and Turkish tourism data

Turkey has been a country that has significantly increased the number of tourists and tourism income until the covid-19 pandemic period. In 2019, it was among the top 5 countries receiving the most tourists in the world with more than 51 million visitors and received more than US \$ 34 billion in foreign exchange revenue as a contribution to balance of payments financing. However, as can be seen in Table 1, there is a dramatic decline in both the number of tourists and tourism revenues in 2020.

Table 1. Tourism income, number of visitors and average expenditure per capita by months, 2019-2020

Months	2019			2020 ⁽¹⁾		
	Tourism income (000 \$)	Number of visitors	Average expenditure per capita (\$)	Tourism income (000 \$)	Number of visitors	Average expenditure per capita (\$)
Total	34 520 332	51 860 042	666	12 059 320	15 826 266	762
January	1 585 517	2 226 288	712	1 834 008	2 529 423	725
February	1 359 194	1 944 957	699	1 479 447	2 051 923	721

March	1 684 968	2 473 147	681	787 750	1 058 068	745
April	1 996 446	3 266 256	611	-	-	-
May	2 639 675	4 219 837	626	-	-	-
June	3 337 843	5 276 253	633	-	-	-
July	4 384 887	6 703 045	654	561 409	777 043	722
August	5 244 124	8 167 150	642	1 622 303	2 192 917	740
September	4 402 111	6 741 769	653	1 860 644	2 634 195	706
October	4 101 484	5 437 494	754	2 054 889	2 355 124	873
November	2 138 195	3 005 517	711	1 051 951	1 262 757	833
December	1 645 890	2 398 329	686	806 918	964 816	836

Figures in table may not add up to totals due to rounding.

(1) Annual data for 2020 include the data for 1st, 3rd and 4th quarters.

'- Data related to the 2nd quarter of 2020 was not published because survey could not be conducted at border gates due to corona virus (COVID-19) pandemic. Calculations are made by extracting the departures of Syrians from the Gaziantep Kargamış, Hatay Cilvegözü and Yayladağı, Kilis Öncüpınar and Şanlıurfa- Akçakale border gates from the border figures of General Directorate of Security.

Source: TurkStat Departing Visitors Survey, 2021.

January February March saw a decline of around 50% due to the pandemic, while Turkish tourism revenues were normal level in January and February. Due to the closing of border crossings, travel bans and panic in the following days, tourism activities almost stopped until June.

Towards the summer period, the number of cases decreased, and the confidence environment provided by hygiene measures and certificates taken by enterprises increased again as of July. Despite this, there was a 90% loss in the sector compared to the previous year. In the following months, the year 2020 was ended with tourism data that did not even find half of the previous year.

The total revenue of Turkish tourism, which has increased by 15% annually on average, is expected to be \$ 39 billion in 2020, while it has remained at \$ 12 billion due to the pandemic. Therefore, the sector suffered a serious loss of \$ 27 billion. This loss also affects other sectors associated with the tourism sector. Apart from this economic loss, the decline in employment is also a huge problem.

2. Literature review

The Covid-19 pandemic reduced the revenues of tourism enterprises in all countries of the world and caused a serious crisis. Different support policies have been implemented in order for these businesses to continue their lives (Şengel & Erkan, 2021; Punzon & Pastor, 2020; Abate et al., 2020; Crişmariu et al., 2020; Khalid, et al., 2021; Salem et al., 2021). We can say that the literature is new and there are limited publications on tourism supports during Covid-19 pandemic.

During this period, European Union countries also developed financial and monetary policies to reduce the negative effects of Covid-19 on tourism enterprises with strong ties to other sectors (Shengel & Erkan, 2021). It was emphasized that 294 Fiscal policies and 194 Monetary policies were put into operation in 27 EU countries. The most common Support Practice is subvention practices (203).

Punzon & Pastor (2020) investigated how effective the fiscal support given during the Covid-19 period was in Spain, Italy and France, one of the major European tourism destinations. In these countries, monthly voucher support in the amount of 600 Euros was provided to employees of the sector who were exempt from taxes on the income of tourism enterprises. But still, more than a third of tourism businesses in these countries could not be prevented from closing. In addition, safe corridor polticas were created for the reopening of international tourism activities, thus ensuring that tourism activities continue through the region/countries where Covid-19 cases are low. According to Punzon & Pastor (2020), policies need to be more coordinated for these measures to be more effective. One of the sectors affected by the pandemic is airline companies. According to International Air Transport Association (IATA) data, Aviation revenues for 2020 in 57 countries were estimated at 419 billion USD and 38% of this was supported by governments. In addition, Covid-19 emergency aid expenditures of the G20 countries reached USD 7.3 trillion (Abate et al. 2020: 2).

Crismariu et al., (2020), covered the support given to the tourism sector in Romania. Efforts were made to provide support through fiscal policies such as taxation, which were mostly implemented by the Romanian government. However, the policies applied in relatively developed countries such as France, Italy and Spain are different. Crismariu et al., (2020) states that tourism support in developed countries unlike developing countries is more in the form of direct monetary payment. Examples include 300 billion euros in financial support for crisis-hit businesses in France and 200 million euros in support for airlines such as Alitalia and Air Italy in Italy. Developing countries such as Romania can intervene in the pandemic crisis with austerity measures due to budget deficits, while developed countries can support significant monetary amounts.

During the pandemic period, the Egyptian government provided low-cost funding support, tax breaks and £ 50 million in monetary support for the payment of wages for employees in the tourism sector. At the same time, applications such as health and hygiene, working life, marketing, domestic tourism, flexible booking and cancellation policies were put into operation with the cooperation of tourism companies (Salem et al., 2021).

Khalid, et al., (2021) examined whether the size of the tourism sector of countries through 136 country data is effective against the economic policies implemented against Covid-19. The study found that countries with large tourism sectors have prepared larger economic stimulus packages to reduce the pandemic impact and stimulate the economy. In addition to the support packages implemented by governments at the macro and micro level, it is seen that crisis management policies are implemented by tourism companies. Kukanja et al., (2020), 574 tourism companies participated in the study of their companies workplace, cost control, organizational support, marketing (promo and customer) dimensional applications were determined.

3. Aim and method of the study

The aim of this study is to assess the level of impact of the Turkish tourism sector from the Covid-19 pandemic and to evaluate the economic support packages implemented by the government. Valuation is carried out based on content analysis study. Supports for the Turkish tourism sector were analyzed through different support packages and legal regulations announced by the government during the pandemic period.

4. Supports Applied to Turkish Hospitality Enterprises During COVID-19 Period

Governments, on the one hand, are trying to overcome the health dimension of this epidemic with minimal damage, and on the other hand, they are trying to keep the country's economy afloat. For this purpose, various elements of financial support are explained. In this part of the study, support elements that businesses involved in Turkish tourism can benefit from are included. The supports and categories provided by the Turkish government are shown in Table 2.

Table 2. Supports for Turkish Tourism Sector for Covid-19 Pandemic Losses

Status	Date	Description	Web Link	Category
Measure expired	31.08.20	The deadline for the submission of Tax Certification reports to be submitted to the Ministry of Treasury and Finance/Tax Offices until the end of June 2020 has been extended by 2 months (In force - see CPA / 2020-1 Circular No. 26 March 2020).	https://www.gib.gov.tr/ye-minli-mali-musavirlik-yymm-tasdik-raporlarinin-ibraz-suresi-uzatildi	Corporate income tax
Entered into force	30.03.20	The deadline for the submission of Tax Certification reports to be submitted to the Ministry of Treasury and Finance/Tax Offices until the end of June 2020 has been extended by 2 months (In force - see CPA / 2020-1 Circular No. 26 March 2020).	https://www.gib.gov.tr/ye-minli-mali-musavirlik-yymm-tasdik-raporlarinin-ibraz-suresi-uzatildi	Corporate income tax
Measure expired	1.06.20	2020 CIT submission and payment deadline postponed from 30 April to 1 June 2020.	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/filing-for-2019-corporate-tax-returns-postponed-to-1-june.html	Corporate income tax
Entered into force	17.04.20	2019 CIT submission and payment deadline postponed from 30 April to 1 June 2020.	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/filing-for-2019-corporate-tax-returns-postponed-to-1-june.html	Corporate income tax

			returns-postponed-to-1-june.html	
Measure expired	30.06.20	With Law Number 2278 published on 22 March 2020, VAT rate on domestic airline services has been reduced to 1% for a 3-month temporary period between the beginning of April 2020 and the end of June. Updates on GVOL (https://globalvatonline.pwc.com/covid-19-summary)	https://www.gib.gov.tr/sites/default/files/fileadmin/user_upload/Cumhurbaskani_Karari/2278.pdf	VAT/GST
Entered into force	22.03.20	With Law Number 2278 published on 22 March 2020, VAT rate on domestic airline services has been reduced to 1% for a 3-month temporary period between the beginning of April 2020 and the end of June. Updates on GVOL (https://globalvatonline.pwc.com/covid-19-summary)	https://www.gib.gov.tr/sites/default/files/fileadmin/user_upload/Cumhurbaskani_Karari/2278.pdf	VAT/GST
Measure expired	30.04.20	The filing of the Sales and Purchase lists for February 2020 has been postponed to April 30 instead of March 31, and the submission and payment of VAT returns of the same month has been postponed to April 24 instead of March 26. (Tax Procedural Law Circular No:126 published on 23 March 2020).	https://www.gib.gov.tr/katma-deger-vergisi-beyannamelerinin-verilme-ve-odeme-sureleri-ile-form-ba-bs-bildirimlerinin-0	VAT/GST
Entered into force	23.03.20	The filing of the Sales and Purchase lists for February 2020 has been postponed to April 30 instead of March 31, and the submission and payment of VAT returns of the same month has been postponed to April 24 instead of March 26. (Tax Procedural Law Circular No:126 published on 23 March 2020).	https://www.gib.gov.tr/katma-deger-vergisi-beyannamelerinin-verilme-ve-odeme-sureleri-ile-form-ba-bs-bildirimlerinin-0	VAT/GST
Entered into force	24.03.20	2020 March, April and May VAT declaration and Ba-Bs Forms have been postponed for 3 months to 27 July 2020 for taxpayers covered by force majeure. And VAT return payments for March, April and May 2020 postponed to October, November and December 2020 respectively.	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/update-on-recycling-fees-filing-periods-redefined.html	VAT/GST
Measure expired	30.06.20	The 3-month period for the completion of the export in the sales with export commitment has been extended by 3 months for the beginning of April 2020 and the end of June within the scope of Force Majeure. No application to the tax office is required for the extension (In force - see VAT Circular Number 68 on 31 March 2020).	https://www.gib.gov.tr/node/143189	VAT/GST
Entered into force	31.03.20	The 3-month period for the completion of the export in the sales with export commitment has been extended by 3 months for the beginning of April 2020 and the end of June within the scope of Force Majeure. No application to the tax office is required for the extension (In force - see VAT Circular Number 68 on 31 March 2020).	https://www.gib.gov.tr/node/143189	VAT/GST

Entered into force	31.07.20	With the Presidential Decision published on 31 July 2020, the VAT rates applied to some goods and services were reduced from 18% to 8% and from 8% to 1% from 31 July 2020 until the end of the year. The VAT rate was reduced from 18% to 8%, including congress and seminar entrance fees, workplace rental services, wedding and cocktail organization activities, tailoring and home textiles, hairdressing services, shoe shine, shoe and leather repair, and some repair and maintenance services. excluding materials, passenger transportation services, beverage and food services; The VAT rate has been reduced from 8% to 1%, including beverage and food services in the same rank, entrance fees in the 16th rank and nightly services in the 25th rank.	https://www.gib.gov.tr/sites/default/files/fileadmin/user_upload/Cumhurbaskani_Karari/KDV_CK_2812.pdf	VAT/GST
Entered into force	30.08.20	With the Presidential Decree published on 30 August 2020, From the beginning of September 2020 to the end of June, VAT on Education services has been reduced from 8% to 1%.	https://www.gib.gov.tr/sites/default/files/fileadmin/user_upload/Cumhurbaskani_Karari/CKKD_V_2913.pdf	VAT/GST
Entered into force	18.03.20	According to the announcement of the Revenue Administration, the taxpayers will submit to the tax office electronically or by mail with the Interactive tax office system until April 10, 2020. Non-Turkish citizens will also be able to obtain a tax number online.	https://www.gib.gov.tr/ye-ni-korona-virus-hastaligi-kovid-19-ile-etkin-mucadele-kapsaminda-alinan-bazi-tedbirler-hakkinda	General tax administration measure
Entered into force	18.03.20	Payments for taxes, fees, administrative fines and valuable paper fees, which can be paid by credit card through the Interactive Tax Office or through the contracted banks, will be made through the Interactive Tax Office or through the contracted banks, instead of the tax office cashiers, until April 04.	https://www.gib.gov.tr/ye-ni-korona-virus-hastaligi-kovid-19-ile-etkin-mucadele-kapsaminda-alinan-bazi-tedbirler-hakkinda	General tax administration measure
Measure expired	16.06.20	Curfew for the individuals over 65 years old for their tax obligations expired as of 16 June 2020		General tax administration measure
Entered into force	24.03.20	With TPL Communique No 518 (issued on 24 March 2020) - Force Majeure announced for Income taxpayers from business activities, agricultural earnings and independent professional services, companies whose operations temporarily suspended within the scope of measures taken by Ministry of Interior to fight Covid-19 as well as corporate taxpayers operating in sectors directly affected from Covid-19 including retail including shopping malls, health services, industrial kitchen manufacturers, iron-steel metal	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/covid-19-update-on-emergency-tax-measures.html	General tax administration measure

		industry, furniture manufacturers, mining industry, construction services, stone quarry, automotive manufacturers including spare parts and accessories, commerce and production of spare parts and accessories, car leasing companies, logistics-transportation companies including storage, artistic activities including cinemas-theatres, publishing activities including books, magazines, newsletters and printing houses, accommodation companies including travel agencies and tour operators, food-beverage services including restaurants and cafes, textile-garment manufacturers and merchandisers, companies engaged in organisation and event activities including Public Relations. - Curfew issued for those individuals over 65 years old and individuals with chronic disease. Their tax obligations suspended until the end of curfew.		
Entered into force	26.03.20	Enacted with Law Number 7226 issued on 26 March 2020; - As of 1 January 2020, the Ministry of Energy and Natural Resources can decide on the application of 'Force Majeure' for the mining industry for tax and payment related issues. - Payment terms for rent and revenues from tourism property are postponed for 6 months for the period 1 April 2020 - 30 June 2020.	https://www.resmigazete.gov.tr/eskiler/2020/03/20200326M1-1.htm	General tax administration measure
Measure expired	15.06.20	1. Between March 13, 2020 (including this date) and April 30, 2020 (including this date), a right, including the periods of filing a lawsuit, submission, statute of limitations, objection, initiation of enforcement proceedings, application, complaint, notice and mandatory administrative application, and deprivation periods. Any period of its birth, use or expiration; The periods determined by the parties in the Code of Criminal Procedure and the Code of Civil Procedure, the Code of Administrative Procedure and other laws including procedural provisions, as well as the periods determined by the judge in this context, and the periods in mediation and conciliation institutions will be suspended. 2. From March 22, 2020 (including this date) to April 30, the periods determined by the prosecution law and the judges and enforcement and bankruptcy offices and the periods specified in other laws related to the Enforcement and Bankruptcy Law (excluding enforcement proceedings regarding alimony receivables), parties and follow-up proceedings. Transactions, all enforcement and bankruptcy proceedings, proceedings regarding the receipt of follow-up requests, new enforcement and bankruptcy,		General tax administration measure

		execution and execution of precautionary attachment decisions will be suspended.		
Entered into force	27.03.20	1. Between March 13, 2020 (including this date) and April 30, 2020 (including this date), a right, including the periods of filing a lawsuit, submission, statute of limitations, objection, initiation of enforcement proceedings, application, complaint, notice and mandatory administrative application, and deprivation periods. Any period of its birth, use or expiration; The periods determined by the parties in the Code of Criminal Procedure and the Code of Civil Procedure, the Code of Administrative Procedure and other laws including procedural provisions, as well as the periods determined by the judge in this context, and the periods in mediation and conciliation institutions will be suspended. 2. From March 22, 2020 (including this date) to April 30, the periods determined by the prosecution law and the judges and enforcement and bankruptcy offices and the periods specified in other laws related to the Enforcement and Bankruptcy Law (excluding enforcement proceedings regarding alimony receivables), parties and follow-up proceedings. Transactions, all enforcement and bankruptcy proceedings, proceedings regarding the receipt of follow-up requests, new enforcement and bankruptcy, execution and execution of precautionary attachment decisions will be suspended.		General tax administrative measure
Entered into force	30.03.20	Turkish Revenue Administration has announced that more types of tax can be paid by credit card.	https://www.gib.gov.tr/kredi-kartiyla-odenebilen-vergi-turlerinin-kapsamigenisletilmistir	General tax administrative measure
Measure expired	19.06.20	The statutory deadline for e-ledger submissions for February 2020 and 1st Quarter 2020 for those taxpayers submitting their e-ledgers quarterly postponed from 31 May 2020 to 19	https://www.gib.gov.tr/elektronik-defterlerin-olusturulma-ve-imzalanma-suresi-ile	General tax administrative measure

		June 2020 (Tax Procedural Law Circular No:131 published on 28 May 2020)	elektronik-defter-beratlarinin-yuklenme-4	
Entered into force	28.05.20	The statutory deadline for e-ledger submissions for February 2020 and 1st Quarter 2020 for those taxpayers submitting their e-ledgers quarterly postponed from 31 May 2020 to 19 June 2020 (Tax Procedural Law Circular No:131 published on 28 May 2020)	https://www.gib.gov.tr/elektronik-defterlerin-olusturulma-ve-imzalanma-suresi-ile-elektronik-defter-beratlarinin-yuklenme-3	General tax administration measure
Measure expired	30.04.20	The statutory deadline for e-ledger submissions postponed from 31 March 2020 to 30 April 2020 (Tax Procedural Law Circular No:126 published on 23 March 2020).	https://www.gib.gov.tr/katma-deger-vergisi-beyannamelerinin-verilme-ve-odeme-sureleri-ile-form-ba-bs-bildirimlerinin-0	other taxes
Entered into force	23.03.20	The statutory deadline for e-ledger submissions postponed from 31 March 2020 to 30 April 2020 (Tax Procedural Law Circular No:126 published on 23 March 2020).	https://www.gib.gov.tr/katma-deger-vergisi-beyannamelerinin-verilme-ve-odeme-sureleri-ile-form-ba-bs-bildirimlerinin-0	other taxes
Measure expired	31.07.20	Published on 22.03.2020 Communiqué (Series No:3) on the Amendments to be Made on General Communiqué (Series No:1), the submission of the Recycling Contribution Fee Return amended and postponed to the end of July 2020 for the first semi-annual period of 2020.	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/update-on-recycling-fees-filing-periods-redefined.html	other taxes
Entered into force	23.03.20	Published on 22.03.2020 Communiqué (Series No:3) on the Amendments to be Made on General Communiqué (Series No:1), the submission of the Recycling Contribution Fee Return amended and postponed to the end of July 2020 for the first semi-annual period of 2020.	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/update-on-recycling-fees-filing-periods-redefined.html	other taxes
Measure expired	27.07.20	For the taxpayers within the scope of Force Majeure; - The statutory deadline for e-ledger submissions for March, April and May 2020 postponed for 3 months to 27 July 2020.	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/update-on-recycling-fees-filing-periods-redefined.html	other taxes
Entered into force	24.03.20	For the taxpayers within the scope of Force Majeure; - The statutory deadline for e-ledger submissions for March, April and May 2020 postponed for 3 months to 27 July 2020.	https://www.pwc.com.tr/en/hizmetlerimiz/vergi/bultenler/2020/update-on-recycling-fees-filing-periods-redefined.html	other taxes
Entered into force	26.03.20	With Law Number 7226 issued on 26 March 2020, the accommodation tax postponed from 1 April 2020 to 1 January 2021. The accommodation tax postponed from 1 January 2021 to 1 January 2022.	https://www.gib.gov.tr/konaklama-vergisinin-uygulama-tarihi-1/1/2022ye-ertelenmistir	other taxes
Measure expired	31.10.20	Tax reporting deadline for Associations postponed from 30 April 2020 to 1 August 2020. Tax reporting deadline for Associations	https://www.siviltoplum.gov.tr/kurumlar/siviltoplum.gov.tr/IcSite/ankara/ank	other taxes

		extended to 31 October 2020. New extension is not provided	dernekler/resimler/bakanli kyazisi.jpg	
Entered into force	3.04.20	Tax reporting deadline for Associations postponed from 30 April 2020 to 1 August 2020. Tax reporting deadline for Associations extended to 31 October 2020	https://www.siviltoplum.gov.tr/kurumlar/siviltoplum.gov.tr/IcSite/eskisehir//duyurular/2020/beyanname-erteleme.pdf	other taxes
Entered into force	16.04.20	Law No 7244 addressing COVID measures was adopted on 16 April 2020 and published in the Official Gazette dated 17 April 2020. The New Law introduces certain measures including: not to collect annual advertisement and environment taxes of enterprises forced to close as part of the measures to contain COVID-19 during this period; a limitation on profit distribution for capital companies to 25% of 2019 net profit until 30 September 2020; the ability to carry out activities carried out in R&D and design centres and technology development regions temporarily outside the region. Update 18 September 2020: Limitation on profit distribution extended to 31 December 2020.	https://www.resmigazete.gov.tr/eskiler/2020/09/20200918-7.pdf	other taxes
Measure expired	31.07.20	With Tax Procedural Law Circular No:128 published on 20 April 2020, the statutory deadline for e-ledger submissions postponed from 30 April 2020 to 1 June 2020; Registration of sales, revenues and purchases, expenses for January, February, March 2020 to Ledger-Declaration System postponed from 30 April 2020 to 31 July 2020.	https://www.gib.gov.tr/no de/143230	other taxes
Entered into force	20.04.20	With Tax Procedural Law Circular No:128 published on 20 April 2020, the statutory deadline for e-ledger submissions postponed from 30 April 2020 to 1 June 2020; Registration of sales, revenues and purchases, expenses for January, February, March 2020 to Ledger-Declaration System postponed from 30 April 2020 to 31 July 2020.	https://www.gib.gov.tr/no de/143229	other taxes
Entered into force	24.05.20	Banking and Insurance Transaction Tax on foreign exchange sales where banks and authorized institutions are the selling parties is determined as 1%, excluding certain transactions that are listed within the Presidential Decree	https://www.resmigazete.gov.tr/eskiler/2020/05/20200524-1.pdf	other taxes
Measure expired	30.04.20	Personal Income Tax Return legal filing deadline postponed to the end of April	https://www.gib.gov.tr/no de/143086	Personel income tax
Entered into force	17.03.20	Personal Income Tax Return legal filing deadline postponed to the end of April	https://www.gib.gov.tr/no de/143086	Personel income tax

Entered into force	31.07.20	With the new measure, withholding tax rate is reduced to 10% until the year end of 2020.	https://www.resmigazete.gov.tr/eskiler/2020/07/20200731-5.pdf	Personel income tax
Entered into force	3.04.20	For the taxpayers within the scope of Force Majeure, social security declaration payments for March, April and May 2020 postponed to 2 November 2020, 30 November 2020 and 31 December 2020 respectively.	http://www.sgk.gov.tr/wps/portal/sgk/tr/kurumsal/merkez-teskilati/danisma_birimleri/basin_ve_halkla_iliskiler_musavirligi/anasayfa_duyurular/duyuru_20200402_511	Social Security contribution
Measure expired	1.07.20	The application of Combined Withholding Tax and Monthly Premium Service Declaration postponed to 1 July 2020 from 1 March 2020 for the cities other than Kirsehir, Amasya, Bartın, Çankiri, Bursa, Eskisehir, Konya.	https://www.gib.gov.tr/no de/143204	Social Security contribution
Entered into force	4.04.20	The application of Combined Withholding Tax and Monthly Premium Service Declaration postponed to 1 July 2020 from 1 March 2020 for the cities other than Kirsehir, Amasya, Bartın, Çankiri, Bursa, Eskisehir, Konya.	https://www.gib.gov.tr/no de/143204	Social Security contribution
Entered into force	24.03.20	For the taxpayers within the scope of Force Majeure, withholding tax return submissions for March, April and May 2020 postponed by 3 months to 27 July 2020 and payments for March, April and May 2020 postponed to October, November and December 2020 respectively.	https://www.gib.gov.tr/no de/143134	Other employment / labour tax
Entered into force	27.03.20	Revised short-time working allowances will apply until 30 June 2020 with further extensions under the authority of the President of Turkey until 31 December 2020; 600 days reduced to 450 and 120 days to 60. Applications for short-time working allowances started as of 23 March 2020 for businesses that are negatively affected by the outbreak. Applications are made electronically to ISKUR . UDPATE, 30 November 2020 [PROPOSED]: Revised short-time working allowances will apply until 31 December 2020 with further extensions under the authority of the President of Turkey until 31 December 2020; 600 days reduced to 450 and 120 days to 60. Applications for short-time working allowances started as of 23 March 2020 for businesses that are negatively affected by the outbreak. Applications are made electronically to ISKUR .	https://www.verginet.net/Dokumanlar/2020/3238-SAYILI-KARAR-20201201-8.pdf	Other employment / labour tax

Entered into force	16.04.20	Law No 7244 addressing COVID measures was adopted on 16 April 2020 and published in the Official Gazette dated 17 April 2020. The New Law introduces certain measures including the postponement of income tax withholding and social security premium payment of municipalities for 3 months, amendments on employment law including the prohibition on the termination of employment contract by the employer for 3 months except for the reasons set out in the "immoral, dishonourable or malicious conduct or other similar behaviour" and initiation of short term working allowance without completion of compliance inspection, support from unemployment insurance fund to workers who are entitled to unpaid leave and who do not receive short employment allowance and employees who have been laid off after 15.03.2020.	https://www.resmigazete.gov.tr/eskiler/2020/04/20200417-2.htm	Other employment / labour tax
Entered into force	26.03.20	Enacted with Law Number 7226 issued on 26 March 2020, Turkish nationals not resident in Turkey and certain other qualifying individuals as defined in Article 28 of Turkish Citizenship Law will be able to contribute in foreign currency to their private pension scheme and foreign exchange gains from the private pensions schemes will not be subject to income tax.	https://www.resmigazete.gov.tr/eskiler/2020/03/20200326M1-1.htm	Retirement and pensions

Sources: www.gib.gov.tr, www.pwc.com.tr, www.resmigazete.gov.tr, www.siviltoplum.gov.tr, www.sgk.gov.tr, www.verginet.net

Among these supports, the main financial supports related to the tourism sector can be listed as follows: (www.turizmgunlugu.com, www.turofed.org.tr)

- 518 Tax Procedure Law communiqué with many sectors such as the tourism sector to be included in the sectors considered Force Majeure. Accordingly, VAT and concise declaration and payments to be given and paid by the end of June 2020 are deferred for 6 months.
- Similar postponement is also implemented for insurance premiums.
- Deferral of accommodation tax due to come into force in April 2020 to 2021.
- 6 months deferral of payments such as easement fees due by the end of June 2020.
- Reduction of VAT rate on domestic flights from 18% to 1% up to 30.06.2020.
- Ability to use employees ' short work allowance just like other sectors.
- In order to minimize the impact of the outbreak, the duration of the VAT reductions, which cover many sectors from accommodation to food and beverage sector, from passenger transport to maintenance and repair, has been extended until 1 June 2021.
- The VAT rate reduced from 18% to 8% on workplace rental services will continue to be applied as 8% until 1 June 2021.
- Tourism facilities on Treasury real estate and marine tourism facilities, rent final permit final allocation easement use permit payment periods of income shares are deferred for one year without seeking application requirement.

In addition, under the name of the tourism support package of the Turkish Banks Association, a 10 billion TL (about USD 1,2 billion) low interest tourism loan facility was established for up to 12 months (www.kgf.com.tr).

Looking at the support packages discussed, it is understood that measures to reduce the effects of the pandemic consist largely of financial support.

Another support type to tourism industry is payment by the Incentive Certificates. Is is shown in the table 3. The table created according to the data of the Ministry of Industry and Technology of the Republic of Turkey for the Investment Incentive Certificates of "Hotels, Motels, Camps and Other Accommodations" issued between 2017 and 30.09.2021 is given below. According to table 3, It is seen the supports for tourism have decreased during the Covid-19, while it was in increase trend before covid-19 pandemic.

Table 3. Incentive Certificates

Year	Sum of Documents	Sum of Fixed Investment Amount (Million Turkish Lira)	Sum of Employment
2017	307	5.314	12.477
2018	257	4.927	11.065
2019	234	7.581	11.381
2020	218	6.168	10.429
2021 (30.09.2021)	128	3.238	4.105

Source: Created by Authors using <https://www.sanayi.gov.tr/istatistikler/yatirim-istatistikleri/mi1304021615> data

5. Conclusion

It is seen that the financial supports implemented by public institutions and sectoral organizations are mostly loans with low interest and no payment for a certain period of time. Since these loans are purpose-oriented, they carry certain conditions for efficient use of limited resources. For example, a prepayment has been made to hotels by tour operators / travel agencies for 2020 summer season reservations. An agreement was reached the state banks and businesses on a loan package aimed at providing financing support that will allow tourism businesses to return this pre-advance payment. In order for businesses to benefit from this loan, they must apply for a loan to the bank together with the invoice issued to the agency. Thus, the advance amount is made directly to the agency's account, not to the tourism business. In general support loans, support is tried to be provided by taking into account the income losses of previous years. In addition to these, the practice of reducing the withholding taxes on lease payments from 20% to 10% until the end of 2020 has been implemented. Another tax support is that the accommodation taxes are deferred for 1 year and the Value-added tax (VAT) rate on accommodation services is reduced from 8% to 1%. Similar VAT support has been created for travel companies and the VAT rate in passenger transportation has been reduced from 18% to 8%. In addition, certification programs have been developed and put into operation to ensure that tourism facilities remain competitive. Confidential customers and businesses whose certificate validity and adequacy will be audited are planned to accelerate normalization by providing trust to potential tourists. Covid-19 diagnosis of tourists in Turkey to meet the treatment costs of treatment if necessary insurance protection and support of tourists has also been put into practice. Similarly, another insurance coverage created is the Covid-19 Extra Hotel Stay Coverage. Within the scope of this insurance, it is undertaken to cover the hotel accommodation expenses up to 15 days in case the infected persons are under surveillance at the hotel.

Instead of direct monetary support from developed countries such as France and Italy, these supports are similar to financial support from countries such as Romania (Criřmariu et al., 2020; Salem et al., 2021). The features support provided by government are depend on the capacity and economic power of countries to provide support (Khalid, et al., 2021).

In Turkey, tourism sector managers expect the implementation of sector-specific incentive measures, the creation of policies to protect the rights of their employees, and the measures applied for the epidemic to be subject to intense supervision (Karadeniz, et al., 2020). In this process, where there is currently no definitive treatment and the only measure is Vaccination, the tourism sector continues its activities at a fairly low level. This indicates the need for continued support and incentives from the government and other institutions.

Limitations

During pandemic time in Turkey, it is understood that foreign tourism has been greatly interrupted. Tourist facilities try to compensate for their assets with domestic tourism activities. Difficulties in determining the level at which each of the businesses in the sector is affected by the pandemic also affect the level at which these businesses benefit from government support. This, in turn, affects the degree of effectiveness of policies implemented by governments.

Further Studies

In the future studies, sectoral researches can be conducted to find out that the level of exposure of tourism enterprises to the pandemic and the level of benefit from the support provided. This, in turn, will contribute to the

existence of the tourism sector and the subsidiary sectors associated with this sector in a healthy way.

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