

REGULATIONS ON ADVANCE PAYMENT PROCEDURES AND PRINCIPLES

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CHAPTER ONE

Introductory Provisions

Aim

ARTICLE 1 - (1) The purpose of this Regulation is to regulate the methods of advance payment, the assignment of trustees, transfer and offsetting transactions, the determination of the amounts and rates of advance payments to be made according to administrations and types of expenses, and the procedures and principles regarding other transactions.

Scope

ARTICLE 2 - (1) This Regulation covers the procedures and principles regarding advance payments to be made by public administrations within the scope of central government, excluding regulatory and supervisory institutions.

(2) The provisions of the legislation regarding advance and credit transactions for expenditures to be made for the realization of the Turkish Armed Forces Strategic Target Plan and advance and credit transactions for the procurement of public order and security services of the General Directorate of Security, the General Command of Gendarmerie and the Coast Guard Command which cannot be completed within one fiscal year are reserved.

Rest

ARTICLE 3 - (1) This Regulation is based on the Public Financial Management Law No. 5018 dated 10/12/2003. and has been prepared based on the sixth paragraph of Article 35 of the Control Law.

Definitions

ARTICLE 4 - (1) In this Regulation;

- a) Ministry: The Ministry of Treasury and Finance,
- b) Spending authority: The highest-ranking manager of each spending unit to which appropriations are allocated in the budget; in administrations where spending units cannot be classified in their budgets, or in administrations where it is difficult to determine spending authorities, the senior manager or those designated by the senior manager and deemed appropriate by the Ministry, or the unit managers who have been granted spending authority through an appropriation transfer document.
- c) Accounting unit: The unit where accounting services are performed.
- c) Accounting services: Collection of revenues and receivables, payment of expenses and debts to rightful owners, receipt of money and values expressed in monetary terms, and deposits.

the processes of storing, delivering, sending to relevant parties, and recording and reporting all other financial transactions,

d) Trustee: The trustee of the spending authority, appointed in writing by the spending authority and responsible to the spending authority for expenditures limited to the advances given to him or the credits opened on his own behalf or on behalf of the public administration, and obliged to provide the documents related to the offsetting of these expenditures and to return the excess amount; in public administrations that do not have a spending unit in their overseas organizations, advisors and attachés,

e) Advance payment: Payments made in the form of advances or credits for urgent or necessary expenses for which completion of the procedures cannot be awaited, as stipulated in the relevant laws.

f) Senior executive: In ministries, the minister in relation to service units directly subordinate to them, the deputy ministers in relation to service units subordinate to them, the highest-ranking executive in other public administrations, the governor in provincial special administrations, and the mayor in municipalities.

It expresses.

PART TWO

Appointment of a Trustee and Transfer of Advance Payments to Another Trustee

Appointment of trustee

ARTICLE 5 - (1) A trustee is appointed for each central expenditure unit to which an appropriation is allocated in the budget of public administrations and for each expenditure unit to which an appropriation is sent by issuing an appropriation transfer document.

(2) More than one trustee may be appointed when deemed necessary by the spending authority. In this case, the total advance amount to be given to the trustees cannot exceed the amount determined for that spending unit or type of spending. However;

a) In cases where military units and military institutions, as well as schools, dormitories, institutes, hospitals, dispensaries, and similar units and departments, operate separately or are located in different places, even though they belong to the same expenditure unit, and a separate trustee is assigned to each of these units, the advance amount shall be applied separately for each trustee.

b) Where necessary; for fuel, oil, maintenance, repair and operating expenses of vehicles, for fulfilling tax and similar payment obligations that, although constituting a whole, must be finalized in separate locations in relation to the goods to be purchased or the work to be performed, for expenses related to loading, unloading and customs procedures of the purchased goods, and for expenses of a specific nature, the advance amount shall be applied separately for each trustee when more than one trustee is appointed.

(3) When the trustees are first appointed and when they are replaced, their name, surname, job title, Turkish Republic identity number and signature sample are reported to the accounting unit by the spending authority. The signature sample of the trustees who have the authority to make transactions in the credit account is also sent to the bank to which the credit is opened.

Transfer of advance payment to another trustee

ARTICLE 6 - (1) With the written permission of the spending authority, the trustee may pay the advance payment

He can transfer the amount to another trustee.

(2) When the advance is transferred to another trustee, a record is prepared stating that the money and expenditure documents have been delivered to the trustee. The record and the written permission of the expenditure authority are submitted to the accounting officer by the transferring trustee, and the advance entry is made in the name of the new trustee. A copy of the record is given to the transferring and receiving trustees.

(3) When the credit is transferred to another trustee, the signature sample of the new trustee is given to the accounting unit along with the written permission of the spending authority, and the credit record is made in the name of the new trustee. When the credits opened at the bank are transferred to another trustee, the signature sample of the new trustee is also sent to the bank.

CHAPTER THREE

Advance Payments

Advance

ARTICLE 7 - (1) Provided that the spending authority approves and the corresponding appropriation is reserved, advances may be given for urgent or necessary expenses for which the completion of the implementation procedures cannot be awaited, as well as for the cases foreseen in the relevant laws.

(2) The advance payment shall be used only for the work for which it was given.

(3) The advance may be given directly to the trustee to be paid to the person or organization that will do the work or provide the goods or services, or it may be transferred to the trustee's or public administration's bank account. Advances given for the expenditures to be made by the foreign organization of the public administration may be transferred to the trustee's or public administration's local bank account.

is done.

(4) The upper limits of the advances to be given are shown in the central government budget law.

(5) The advance to be given may be from various appropriations of the budget, provided that the total does not exceed the amount determined in accordance with Article 8.

(6) Trustees cannot make expenditures without receiving an advance and cannot receive money from any source other than the treasury of the accounting unit or its bank account, under any name, to make expenditures on behalf of the public administration.

(7) In accordance with the relevant laws, advances to be paid to officials for travel and other expenses may be given to them or their personal agents. The amount of these advances and their offsetting
Their durations are subject to the provisions of their respective special laws.

(8) The Ministry is authorized to determine the amount of advances to be given, on the condition that the upper limits determined in the central government budget law are not exceeded, according to the institutions and/or types of expenditure.

Types of expenses for which advances can be given

ARTICLE 8 - (1) Advances may be granted for the purchase of goods and services, construction works, expenses related to hosting foreign guests and delegations, and similar expenses up to the amount determined in the central government budget law.

(2) The monthly allowance and other entitlements paid together with this allowance and the amount of the ration allowance may be paid as an advance to the gendarmerie non-commissioned officers and soldiers who cannot be fed collectively by their units due to the nature of their duties. The advance amounts to be given to the gendarmerie units of the provinces deemed necessary and the settlement period are determined by the Ministry upon the proposal of the Ministry of Interior, taking into consideration the natural conditions and other compelling reasons in the region where the duty is performed.

(3) The monthly expenditure amount shown in the ship's cashier's credit booklet, determined separately for each warship by the Main Subordinate Commanders and the Naval Fleet Accounting Officer or the relevant accounting unit's accounting officer, and the amount corresponding to the salaries and other expenses of the personnel serving on these ships, are paid as an advance. Upon the written request of the ship's expenditure officer, the amount shown in the ship's cashier's credit booklet may be increased by fifteen percent. Increases above this amount are made with the written order of the relevant Main Subordinate Commanders affiliated with the Naval Forces. Other transactions regarding advances received by ship cashiers affiliated with the Naval Forces Command are carried out in accordance with the procedures and principles determined in the Central Administration Accounting Regulation published in the Official Gazette dated 27/12/2014 and numbered 29218.

Settlement period and responsibility for advances.

ARTICLE 9 - (1) Every trustee is obliged to submit the supporting documents regarding the amount spent from advances to the accounting officer within one month, unless otherwise specified in the relevant laws, and to close his account by returning the excess amount.

(2) For the expenditures to be made by the foreign organizations of public administrations
The settlement period for advance payments sent is three months.

(3) The settlement period for advances of ship trustees, the principles of which are determined in article 8, is wartime.
This applies for one month following the ship's return to its home port at the end of its mission.

(4) The Ministry is authorized to determine the offsetting period separately in exceptional circumstances.

(5) The offsetting period ends at the end of working hours on the day corresponding to the day the advance was given in the last month, or if there is no day corresponding to the day the advance was given in the month in which the period ends, the period ends at the end of working hours on the last day of that month. Upon the instruction of the spending authority, a new advance may be given in the amount of the expenditure documents to be submitted within these periods. No advance will be given for the same work unless the offsetting process is completed in this way.

(6) No cash refund is made for the advance given for the expenditures to be made by the foreign organization of the public administration; it is deducted from the new advance to be given. In public administrations whose foreign organization is an expenditure unit, the cash surplus related to the advance is refunded at the latest at the end of the offsetting period.

(7) Expenditure documents bearing a date prior to the date the advance was given cannot be accepted for offsetting the advance. However;

a) Documents relating to per diem payments and expenses such as course and training fees for assignments for course and training purposes, bearing a date after the expenditure instruction or assignment letter, b) Needs for aircraft

going to foreign countries due to overseas assignments

Documents relating to payments such as fuel, ground services, and air transit fees will be announced.

c) Expenditure documents relating to the monthly expenses of public administrations' overseas organizations, such as rent, dues, subscriptions, etc., and bearing a date prior to the payment of advances.

c) In public administrations with overseas organization expenditure units, expenditure documents relating to expenses incurred in necessary and unforeseen situations to ensure the continuity of service, and bearing a date prior to the granting of advance payments.

It is accepted in the offsetting of the advance payment.

(8) Expenditure documents submitted during the offsetting period must bear a date between the date the advance was given and the last day of the budget year to which it belongs.

(9) The trustee must return the remaining advance within three working days following the last expenditure date, without waiting for the end of the offsetting period after the completion of the work, and close the account by offsetting it on time.

(10) If the advance is transferred to another trustee in accordance with Article 6, the receiving trustee must submit his account to the accounting officer within the settlement period from the date the advance was given to the first trustee.

(11) Audit personnel are obliged to submit the expense documents for the advances they receive for travel expenses and other expenses to their administrations by the tenth day of the following month and to return any remaining advances, and the administrations are obliged to seek them. If the amount due exceeds the advance, the difference is transferred to the bank account of the relevant audit personnel.

(12) The advance amount not settled by the trustees within the prescribed period shall be pursued and collected in accordance with general provisions, together with the interest calculated at the rate of delay interest determined in accordance with Article 51 of the Law on the Collection Procedure of Public Receivables, dated 21/7/1953 and numbered 6183. Trustees who fail to settle their advances within the prescribed period without a legally valid excuse shall also be subject to disciplinary action in accordance with the personnel legislation to which they are subject.

(13) The provisions of special laws shall apply to those advances given to those assigned from within or outside the institution for travel and other expenses that are not deducted in time.

CHAPTER FOUR

Credit Transactions

Credit

ARTICLE 10 - (1) Credit may be opened for urgent or necessary expenses for which the completion of the implementation procedures cannot be awaited, provided that the spending authority deems it appropriate and the corresponding appropriation is reserved;

(2) The loan shall be used only for the work for which it was given.

(3) Credit may be opened at a bank or accounting unit serving the public administration on behalf of the trustee or public administration. Credits opened for expenditures to be made by the foreign organization of the public administration are transferred to local bank accounts on behalf of the trustee or public administration.

(4) For purchases from foreign countries, upon the necessity shown by the spending unit, a letter of credit is opened with banks or private financial institutions authorized to conduct banking activities in Türkiye in accordance with the relevant legislation. In public administrations within the scope of the general budget, letters of credit are opened by central units.

(5) Credit balances related to opened letters of credit are carried over to the following year, but their appropriations are cancelled. The equivalent of the carried-over credit balances is recorded as an appropriation in the relevant item of the administration budget by the President in public administrations within the scope of the general budget, and by the senior manager in other public administrations within the scope of this Regulation.

Payment of the opened loans to the relevant parties.

ARTICLE 11- (1) The bank or accounting unit to which the credit is given, the credit to be given by the trustee
The payment is made directly to the address or creditor indicated in the payment instruction.

(2) By the trustee, addressed to the bank or accounting unit to which the credit is opened;

a) If the loan was opened with a bank, the account number; if it was opened with an accounting unit, the name of the accounting unit.

b) Name of the person to whom the payment will be made (title for legal entities, Turkish Republic identity number for individuals) number, for legal entities tax identification number and, if available, bank account number/IBAN information,

c) The amount to be paid,

c) Name, surname, title, expenditure unit and date of issuance of the authorized person,

A credit payment instruction containing this information is prepared, signed, and given to the rightful owner.
is given.

(3) The amount of credit to be paid to the public institutions and organizations determined and announced by the Ministry for the procurement of goods and services within the framework of the tender legislation may be transferred directly to the bank account of the relevant public institution or organization.

(4) The credit amount for natural gas, water, transportation and similar expenses, as well as subscription, inspection and connection fees, which are consumed by public institutions and organizations or private legal entities under the supervision and control of public institutions and organizations and loaded onto electronic meters/cards with the payment made in advance, can be directly transferred to the bank account of the relevant public or private institution.

(5) Credit may be opened for the payment of court fees and expenses, as well as the subsistence and transportation costs of those obliged to perform military service during their deployment. No credit payment instruction is issued for payments to be made to the beneficiaries in accordance with the provisions of the protocol between the public administration and the bank or PTT.

Loan settlement period and liability.

ARTICLE 12- (1) Each trustee is obliged to submit the supporting documents regarding the amount spent on loans to the accounting officer within three months, unless otherwise specified in the relevant laws, and to close the account by returning the excess amount.

(2) The Ministry is authorized to determine the offsetting period separately in exceptional circumstances.

(3) The offsetting period ends at the end of working hours on the day corresponding to the day the credit was opened in the last month, or, if there is no day corresponding to the day the credit was opened in the month in which the period ends, at the end of working hours on the last day of that month. No cash refund is made for the offsetting and return of the remaining credits opened for the expenditures to be made by the overseas organization of public administrations; it is offset against the new credit to be opened. In public administrations whose overseas organization is an expenditure unit, the return of the cash remaining related to the credit is made at the latest at the end of the offsetting period.

(4) The expenditure documents submitted during the offsetting period must bear a date between the date the credit was opened and the last day of the budget year to which it belongs.

(5) The trustee must return the credit balance within three business days following the last expenditure date, without waiting for the end of the three-month period after the completion of the work, and close the account by offsetting it in time.

(6) If the loan is transferred to another trustee in accordance with Article 6, the receiving trustee must submit his account to the accounting officer within the settlement period from the date the loan was opened to the first trustee.

CHAPTER FIVE

Settlement of Advance Payments at the End of the Year and Closing During the Settlement Period

Settlement of advance payments at the end of the year.

ARTICLE 13- (1) Trustees are obliged to close their accounts by submitting the documents of the expenses for which they have not made an offset to the accounting officer and returning the remaining amount, without waiting for the offset period to expire at the end of the fiscal year.

(2) The advance payment amount that is not closed by the end of the fiscal year or is not notified by the administration to be offset in the offsetting period is debited to the relevant account in the name of the trustee at the end of the year and the account related to the advance payment is closed. The transactions regarding the amounts debited in the name of the trustee are carried out as specified in the Central Government Accounting Regulation.

Closing of advance payments during the offsetting period

ARTICLE 14- (1) The examination of the offsetting documents given to the accounting unit is carried out annually.

Advance payments that cannot be completed in full are settled during the offsetting period.

(2) The same procedure is applied to advance payments for which the goods have been received, the service has been rendered or the work has been done, but the documents will be submitted in the accounting period, and which are notified in writing to the accounting unit by the relevant administration by the end of the fiscal year.

(3) The expenditure documents submitted during the offsetting period must be between the date of the advance payment and the date of payment of the advance payment. It must contain a date between the last day of the budget year to which it belongs and the end of the current budget year.

(4) The advance payment amount that cannot be closed during the offsetting period is paid to the trustee at the end of the period. The advance payment account is closed by recording a debt in its name. The corresponding appropriations are cancelled.

(5) The provisions of the above paragraph shall also apply to advances given for temporary and permanent duty travel expenses and other related expenses to be recorded as expenses in the annual budget, which could not be offset by the end of the fiscal year.

CHAPTER SIX

Off-Budget Advance Transactions

Off-budget advance

ARTICLE 15 - (1) An advance payment outside the budget may be given to contractors, provided that it is specified in the contract and does not exceed thirty percent of the amount undertaken. The provisions of the relevant laws or Presidential decrees regarding the payment of advances outside the budget are reserved.

(2) Provided that it is stated in their contracts and a guarantee of the same amount is taken in return, contractors may be given an advance outside the budget up to ten percent of the amount of the contract for the purchase of goods and services and fifteen percent of the amount of the contract for construction works. However, in cases where it is necessary to give an advance above these rates, an advance outside the budget may be given at a rate not exceeding thirty percent of the amount of the contract, with interest charged at the rate applied by the Central Bank of the Republic of Turkey to advances for the excess amount, upon the decision of the senior manager. No interest shall be charged on the purchases and construction works that public administrations within the scope of this Regulation will make from each other or from other public institutions and organizations. The guarantees taken in return for the advances given shall be released or returned in the amount offset, upon the request of the contractor.

(3) Advances outside the budget may be given if there is a provision in their special laws.

(4) An advance payment outside the budget may be given for salaries, wages and similar expenses that must be paid in advance according to the provisions of special laws, and for the part of the expenses in the second and third paragraphs of Article 8 that relate to the budget of the following year.

(5) No security deposit will be required for off-budget advances to be made in purchases made by public administrations within the scope of this Regulation from each other or from other public institutions and organizations.

Offsetting of off-budget advances

ARTICLE 16- (1) Off-budget advances are settled according to the following principles:

a) In offsetting off-budget advances given to contractors based on their contracts for works to be completed within the year or for commitments extending into the following year or future years, the principles specified in the specifications and contracts shall be followed.

(b) Off-budget advances granted based on provisions in special laws shall be offset within one month, unless the offsetting period is specifically stated in those special laws, by submitting the expenditure documents to the accounting officer and returning any remaining amount.

c) The date on which off-budget advances given in exchange for monthly salaries, wages, and similar entitlements to be covered from the following year's budget should be offset is the date on which these expenses should be paid in accordance with the relevant legislation.

CHAPTER SEVEN

Miscellaneous and Final Provisions

Other considerations

ARTICLE 17 - (1) In the procurement of goods or services and construction works for which advance payment is not a procurement method, the procurement must be made in accordance with the provisions of the tender legislation to which the administrations are subject, and the receipt of the goods, the performance of the work or the completion of the service must be approved by the person or commissions appointed in accordance with the tender legislation.

(2) Spending authorities;

a) Providing advance payments in the required amount, provided that it remains within the specified limits,

(b) Considering that the advance payment is given for urgent needs, except in extraordinary circumstances, the procurement process should commence within five days at the latest from the date the advance payment is given, and any remaining advance payment balance should be returned within three business days following the last expenditure date.

c) If the need requiring the advance payment ceases to exist, the advance payment shall be terminated.
the funds should be returned to the accounting unit's cashier or bank accounts without delay.

c) Taking necessary measures to ensure that resources are used effectively, economically, efficiently and lawfully in the granting and use of advance payments, and to prevent their misuse.

provides.

Authority

ARTICLE 18- (1) The Ministry;

a) To determine whether prepayment can be used for purchases made through electronic platforms.

b) To make determinations regarding whether prepayment can be made using bank cards,

c) It is authorized to resolve any ambiguities that may arise during the implementation of this Regulation.

ARTICLE 19- (1) The Regulation on Advance Payment Procedures and Principles, which was put into effect by the Council of Ministers Decision dated 30/12/2005 and numbered 2005/9913, has been repealed.

Force

ARTICLE 20 - (1) This Regulation shall enter into force on the date of its publication.

Executive

ARTICLE 21 - (1) The President shall execute the provisions of this Regulation.