

Cambodia News Brief*

A periodic summary of new rulings & other legal documents relating to legal, tax and investment developments in Cambodia

July 2007

Notification on Value Added Tax application (No.012 MoEF dated 29 June 2007)

The Ministry of Economy and Finance (MoEF) has announced that the Tax Department has the right to cancel the Value Added Tax (VAT) registration of enterprise or company by withdrawing its VAT certificate if the enterprise or company fails to declare any taxable supplies for 3 consecutive months and more.

Only enterprise or company with a new VAT certificate is allowed to carry out importation and exportation of goods.

If the enterprises or companies commence trading and making taxable supplies, they can apply to the Tax Department for a new VAT certificate.

Notification on Management of Collection on Unused Land Tax (ULT) (No.010 MoEF Praka.TD dated 6 June 2007)

Based on the notification issued by the Ministry of Economy and Finance, unused land in the provinces and cities will be subject to Unused Land Tax (ULT) at 2% per square meter at market value. The market value of the unused land will be determined by the Committee of Valuation of Unused Land.

The owner is required to submit 2 sets of tax returns and self assess the ULT based on the sample tax return issued by the Tax Department. The return is due by 30 September each year.

There are penalties for late payment of taxes.