

# Cambodia News Brief\*

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

May 2007

## **Prakas on the determination of Specific Tax base on certain local products (No. 344 MoEF PRK dated 27 April 2007)**

The Ministry of Economy and Finance (MoEF) has issued the Prakas to define the Specific Tax base on certain local products (i.e. beer, tobacco and beverage products). Based on the Prakas, the "ex-factory sales price recorded on the invoice", is defined as 65% of the selling price charged to customers excluding Value Added Tax (VAT) and any other discounts.

The Prakas is effective from 1 May 2007 onwards.

## **Prakas on Professional Certificate and License on Appraisal Service on Real Estate and Real Estate Service (No. 142 MoEF PRK dated 13 February 2007)**

The MoEF will issue certificates and licenses to individuals and companies operating in real estate and/or providing valuation services in Cambodia. Individuals and companies who wish to operate or who are currently operating real estate business and/or providing consultancy services on real estate can apply for the professional certificate and license with the Department of Financial Industry of the MoEF.

The certificate holders are legally permitted to be a representative of the real estate or valuation company. There are different types of certificates and licenses depending on the services to be provided. The Prakas also outlines the conditions to obtain a license or certificates from the MoEF.

## **Sub-Decree on Creation of National Social Security Fund (No. 16 dated 2 March 2007)**

National Social Security Fund (NSSF) shall be established under the technical supervision of the Ministry of Labor and Vocational Training (MoLVT) and shall be under the financial supervision of the MoEF.

The composition of the NSSF includes a representative from the MoLVT, Council of Ministers, MoEF, Ministry of Health, 2 members from the employer representative and 2 members from the employee representative.

The duties of the NSSF include social security management in accordance with the Law on Social Security, collection of contributions from its members and employers, cooperation and organisation of services for health and social affairs for its members, organisation and management of the investment of the social security fund and provision of assistance to the members in case of old age, disability, death, labour risk, motherhood and illness etc.

The rate of contribution and benefits under the social security regime shall be determined by the MoLVT and agreed by the MoEF.

## **Prakas on the tax collection on means of transportation and vehicles for 2007 (No. 190 MoEF PRK dated 26 March 2007)**

The MoEF has issued the Prakas to inform the owners of the vehicles that the tax collection of means of transportation and vehicles for 2007 shall commence from 2 May 2007 to 31 July 2007.

The MoEF will impose penalty for late payment of taxes after 31 July 2007.