

Cambodia News Brief*

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

November 2006

Notification on the issuance of VAT Certificate and New Tax Identification Number (TIN) (No. 1182 TD dated 13 November 2006)

From 1 January 2007 onwards, the Tax Department will issue a new 9-digit TIN to all real regime taxpayers.

All real regime taxpayers are required to complete a Self Declaration Taxpayers' Information and submit it to the Tax Department by 30 November 2006.

Draft 2007 Finance Law

Tax on Un-used Land

Article 3 of the draft 2007 Finance Law will amend Article 30 of the Amended 2005 Finance Law. The sentence "In the calculation of the tax base, 1,200 m² shall be deducted," will be removed from Article 30.

Taxable Profit

Article 4 of the draft 2007 Finance Law to amend Article 7 of the 1997 Law on Taxation. The term "Taxable Profit" is defined to include capital gain realized from operations other than business operation on moveable, financial or investment property.

Prakas on the Delay of the Implementation of Accommodation Tax (No. 601 MoEF dated 23 September 2005)

Based on the above Prakas, the Accommodation Tax is effective from 1 January 2007.

Prakas on the Completion of Annual Declaration of Commercial Enterprises (No. 149 MoC dated 5 July 2006)

All companies registered with the Ministry of Commerce have an obligation to submit an Annual Declaration regarding the company's status to the Department of Legal Affairs of the Ministry of Commerce. The Annual Declaration forms are provided free of charge.

Penalties will be imposed on any companies that fail to submit their annual declaration, and those that fail to submit their annual declaration 3 consecutive years will be deemed illegal companies.