

Cambodia News Brief

December 2019



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

Subjects:

1. Use of exchange rates for taxpayers under a self-declaration regime
2. E-filing system to declare tax

The following report may be of interest to:

General taxpayers

Use of exchange rates for taxpayers under a self-declaration regime

(Instruction No. 27617 GDT, dated 12 December 2019)

To comply with the tax law, VAT regulations and Instructions No. 1127 and 4908, as well as to make sure the mechanism to clarify invoices is clear and the implementation of online VAT refunds and credits takes place effectively, the General Department of Taxation (GDT) has provided guidelines for using the exchange rates for Khmer riel (KHR) currency in the total price on invoices and in monthly and annual tax calculations from January 2020 which are:

1. The daily official exchange rate

The taxpayers shall use the official exchange rate that the National Bank of Cambodia (NBC) issues every day for KHR currency for the total price of the invoice. If there are specific days or other times that the NBC hasn't issued its official exchange rate, the taxpayers will use the official exchange rate that the NBC issued one day before the day the exchange rate is unavailable.

2. Official exchange rate for tax on salary

Taxpayers will use the official exchange rate issued by the NBC on the 15th day of each month when calculating salary tax. If the 15th day of each month falls on a day on which the NBC doesn't issue its official exchange rate, the taxpayers will use the NBC's official exchange rate issued one day before the exchange rate is unavailable.

3. Monthly official exchange rate

Taxpayers will use the official exchange rate issued by the NBC on the last day of each month to calculate monthly tax payments.

4. Annual official exchange rate

Taxpayers will use the official exchange rate issued by the NBC on the last day of December of each year for which the annual tax payments are calculated.

E-filing system to declare tax

(GDT slide on e-filing)

The General Department of Taxation (GDT) conducted a seminar on the electronic tax return filing system on 31 October 2019.

Under the new system, the points to note are:

1. The system will be available for use from 1 January 2020
2. The system is not a compulsory application that must be used by taxpayers and doesn't replace the lodgement process at the GDT
3. It's a template to help taxpayers upload data into the system, but taxpayers need to get a license to use the template from the GDT
4. The system allows taxpayers to make online tax payments so that they don't need to go to a bank to make them.



For more information, please contact Pov Ratha on ratha.pov@pwc.com, or Heng Thy on thy.heng@pwc.com, or call +855 (0) 23 860 606.