

# Cambodia

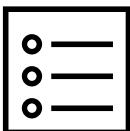
## News Brief



December 2025



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



### Subject

Guidelines for recording and declaring taxes on accounting transactions recorded before payments  
(*Instruction 37705 GDT dated 2 December 2025*)

### The following report may be of interest to:

General taxpayers

The General Department of Taxation (GDT) has issued Instruction 37705 to provide detailed guidelines in relation to procedures for recording and declaring taxes for accrued accounting transactions (i.e. before payments).

Below is the summary of the Instruction:

The GDT refers to the Law on Taxation, which requires taxpayers to record accounting transactions on an accrued basis in accordance with the Cambodian International Financial Reporting Standards.

### Voucher extracts

Taxpayers who are required to record income/expense transactions on an accrued basis (i.e. before payments) shall document these transactions with purchase/sales vouchers. The vouchers must contain at least the following information:

- Name of the voucher
- Number and date of the voucher
- Account code and sub-code of the voucher
- Amount to be recorded in debit or credit accounting entry
- Description
- Name, signature, and date of preparer
- Name, signature, and date of approver

### Record of accrual expenses

- Taxpayers shall record accrued expenses based on the voucher number, date, amount, and description in the Purchase Records for monthly tax filing purposes.
- For any accrued expense that is subject to withholding tax (WHT), the taxpayers shall record it in the WHT list, and declare and pay WHT based on each transaction.

### Record of expenses after receiving actual invoices for accrued transactions

- When the taxpayers receive actual expense invoices from suppliers relating to accrued transactions, the taxpayers shall record those invoices in the Purchase Records.
- For invoices that are subject to WHT, the taxpayers shall record them in the WHT list.
- If there are any discrepancies between the accrued amount per the voucher and the actual amount per the invoice, the taxpayers shall make the appropriate adjustment:

- If the accrued amount exceeds the actual invoice amount, which leads to overpaid WHT, the overpaid WHT is a WHT credit that can be offset against the WHT payable in subsequent months.
- If the accrued amount is less than the actual invoice amount, the taxpayers shall pay additional WHT in the month based on the difference from the WHT base.

### Record of accrued income

- Taxpayers shall record accrued income based on the sales voucher with number, date, amount, and description in the Sales Records for monthly tax filing purposes.

### Record of income after receiving actual invoices on accrued transactions

- When taxpayers issue actual sales invoices, for which the revenue has been accrued and recorded on sales vouchers and in Sales Records, the taxpayers shall record the invoices in the Sales Records with a reference to the accrued income that has already been declared in the Sales Records.
- For prepayment of income tax (PoIT), if there are any discrepancies between the accrual income and actual invoice income, they shall be adjusted as follows:
  - If the accrued amount exceeds the actual sales invoice amount, leading to overpaid PoIT, the overpaid PoIT is a tax credit that can be offset against the PoIT of the current month and the following months.
  - If the accrued amount is less than the actual invoice amount, the taxpayers shall pay additional PoIT in the month based on the difference from the PoIT tax base.

For VAT purposes, input VAT can only be claimed when an actual purchase invoice is received, and output VAT is due only when the actual sales invoice is issued.

A penalty will be imposed if any taxpayers intentionally record and declare a false accrued expense or income amount for the purpose of reducing the tax base.



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