



Cambodia Tax Alert

Guidance on tax incentives for education sector issued by MEF

Greetings from your Tax & Advisory team at Deloitte Cambodia.

We are pleased to update you on the following:

The Cambodia Ministry of Economy and Finance (MEF) issued Prakas No. 172 MEF on 20 March 2024 to provide guidance on the tax incentives available from 1 January 2024 until 31 December 2028 to (i) public and private educational institutions in Cambodia that provide pure educational services from kindergarten to higher education, and (ii) technical and vocational training institutions. The incentives are as follows:

- Exemption from Tax on Income, Prepayment of Tax on Income, and Minimum Tax;
- Supply of educational services, goods, or other education-related services, including supply of food and accommodation to students, treated as non-taxable supplies for VAT purposes. The input VAT on such supplies is disallowed as a VAT credit but allowed as a deductible expense; and
- Exemption from withholding tax on:
 - Services, including management, consulting, or similar services;
 - Interest; and
 - Dividends.

To receive these tax incentives, educational institutions must comply with the requirements by the tax administration.

Contacts

Should you have any comments or questions arising from this newsletter, please contact the Deloitte Cambodia tax team below.

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