



Cambodia Tax Alert

Prakas provides various tax incentives for tourism sector enterprises

Greetings from your Tax & Advisory team at Deloitte Cambodia.

We are pleased to update you on the following:

Prakas No. 119 MEF, issued by the Cambodia Ministry of Economy and Finance on 8 February 2024, provides tax incentives for enterprises in the tourism sector, including hotels, guesthouses, restaurants, and travel agencies, that are tax registered and have business activities in the capital city of Phnom Penh and the provinces of Siem Reap, Sihanoukville, Kep, and Kampot.

The tax incentives consist of the following:

- Tourism enterprises in the Siem Reap province are exempted from:
 - All types of monthly taxes, except value added tax (VAT) and accommodation tax, from October 2023 until the end of June 2024;
 - The 2023 annual tax on income (TOI). Any prepaid tax on income (PTOI) will be allowed as a tax credit against the TOI for 2024;
 - All pre-2023 tax liabilities, including tax, additional tax, interest, 25% additional tax, and recurring interest; and
 - Tax audits for the period from 2020 through 2023.

- Tourism enterprises located in the capital city of Phnom Penh and the provinces of Sihanoukville, Kep, and Kampot are exempted from tax audits for the period from 2020 through 2022.

During the incentive period, the enterprises still have the following obligations:

- Medium-sized and large taxpayers must file tax returns using the e-filing system of the General Department of Taxation (GDT) every month and also must e-file an annual TOI return in accordance with the law. However, small taxpayers must file tax returns according to the format, time, and place determined by the tax administration or they may file tax returns through “GDT Tax Prefiling App.”
- Taxpayers must keep records and maintain accounting records and information related to their business activities in accordance with the laws and tax legislation.

Contacts

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

Kimsroy Chhiv
Tax Partner
Deloitte Cambodia

+855 23 963 701
kchhiv@deloitte.com

Vuthy Sreng
Tax Director
Deloitte Cambodia

+855 23 963 729
vsreng@deloitte.com

Rotanak Phay
Tax Director
Deloitte Cambodia

+855 23 963 711
rphay@deloitte.com



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