



Cambodia Tax Alert

Guidance addresses tax obligations related to real estate leases

Greetings from your Tax & Legal team at Deloitte Cambodia.

We are pleased to update you on the following:

The Cambodia General Department of Taxation (GDT) issued Instruction No. 33000 on 18 September 2024 addressing the tax obligations related to real estate leases. The guidance provides as follows:

1. For lease agreements that stipulate a period of time for construction, design, repair, or renovation, the tax on income, withholding tax, and value added tax apply to the agreed amount (i.e., free of charge or after a discount) mentioned in the agreement. However, the stipulated period should not exceed 10% of the total lease term stated in the agreement.
2. For agreements described in 1. above, the property owner must submit the lease agreement to the tax administration within 30 days after the signing date.
3. If the construction, design, repair, or renovation period is extended, the property owner must submit a request to the tax administration for review and approval.

Pursuant to the GDT instruction, property owners can allow their customers a reasonable time (i.e., 10% of the total lease term) for construction, design,

repair, or renovation of land, warehouses, buildings, or offices for business purposes.

Contacts

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

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