

A low-angle photograph of a city skyline with several tall skyscrapers under a clear sky. The buildings are made of glass and steel, with some windows lit up.

# Technical Update

## TU001/2021

January 2021

This article covered one of the important tax regulations issued by Ministry of Economy & Finance (MEF) and General Department of Taxation (GDT) recently on the following area:

I. [Prakas on Classification of Taxpayer According to the Self-Assessment Regime \(Prakas no. 009 MEF. Prk, dated 12 January 2021\)](#)

The purpose of this Prakas is to set the classification of taxpayer according to the self-assessment regime.

This Prakas shall applicable to the self-assessment regime who do their business in Cambodia and register the company in year 2021 onwards.

This Prakas is come to effect immediately from the date of this letter has signed.

**Definitions of Revenue and Fix Assets:**

**Revenue** is referring to the value of goods or service supply which is the business activity of taxpayer

**Fix Asset** is referring to any assets that has been used for the benefit of the business including long term and short term assets.

[II. Classification of self-assessment tax payer](#)

To classified the types of taxpayer is based on the annual revenue according to main sectors such as agriculture, industry sector, service sector, and business sector. Self-assessment taxpayer is being classified into three main categories as below:

**1. Small taxpayer is the individual enterprise or co-operative enterprise which:**

- a. Annual turnover from 250 million riels to 1,000 million riels for agriculture, service, and commercial sector or
- b. Annual turnover from 250 million riels to 1,600 million riels for industrial sector or
- c. Have turnover in any 3 consecutive months in the future during the tax year from 60-million-riel up
- d. Expected to have turnover in the next 3 consecutive months from 60 million riels up or
- e. Involve in bidding for goods and services, and Phasy Phsa

**2. Medium tax payer is the individual within one of the following conditions:**

- a. Have annual turnover more than 1,000 million riels to 4,000 million riels for agriculture sector or
- b. Have annual turnover more than 1,00 million riels to 6,000 million riels for service and commercial sector or
- c. Have annual turnover more than 1,600 million riels to 8,000 million riels for industrial sector
- d. Enterprise registered as legal entities and representative office
- e. Sub-national entity, Association and Non-Governmental Organization (NGOs) or projects under these organizations
- f. Diplomatic missions and councillors, international organizations and agencies of technical cooperation of other government or projects under these organizations

**3. Large taxpayers is the individual within one of the following conditions:**

- a. Have annual turnover more than 4,000 million riels for agriculture sector or
- b. Have annual turnover more than 6,000 million riels for service and commercial sector or
- c. Have annual turnover more than 8,000 million riels for industrial sector or
- d. Subsidiary of multinational companies, branch of foreign companies or
- e. Enterprise registered as Qualified Investment Project

**III. Classification of taxpayer based to fix-assets**

In case turnover of taxpayer declared is not showed the actual turnover of the enterprise, GDT have authority to re-classified the taxpayer base on the actual value of fix asset that has been used in the business as follow:

**1. Small Taxpayers**

- a. Have annual fix assets from 200 million riels to 1,000 million riels for agriculture, service and commercial sector
- b. Have annual fix assets from 200 million riels to 2,000 million riels for industrial sector

**2. Medium Taxpayer**

- a. Have annual fix asset more than 1,000 million riels to 2,000 million riels for agriculture, service and commercial sector
- b. Have annual fix asset more than 2,000 million riels to 4,000 million riels for industrial sector

**3. Large Taxpayers**

- a. Have annual fix asset more than 2,000 million riels for agriculture, service and commercial sector
- b. Have annual fix asset more than 4,000 million riels for industrial sector

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