

Technical Update TU005/2022

ISSUED IN JULY 2022

These articles covered the important regulations issued by Royal Government of Cambodia, MLVT, and ACAR on the following area:

THIS NEWSLETTER COVERS

1. PRESS RELEASE NO. 01 PR.R ON ADDITIONAL MEASURES TO CONTINUE TO MITIGATE THE IMPACT AND SUPPORT THE RECOVERY OF THE TOURISM SECTOR OF THE ROYAL GOVERNMENT OF CAMBODIA
2. PRAKAS NO. 170/22 ON THE DATE OF STARTING CONTRIBUTION PAYMENT OF NATIONAL SOCIAL SECURITY FUND OF PENSION SECTION BY OBLIGATION ON CONTRIBUTION REGIME AND VOLUNTARY CONTRIBUTION REGIME
3. NOTIFICATION NO. 053 AAR/N.F.T ON REMINDER OF IMPLEMENTATION OF OBLIGATIONS TO SUBMIT 2021 FINANCIAL STATEMENTS FOR INDEPENDENT AUDIT AND SUBMIT THE AUDITED FINANCIAL STATEMENTS TO THE ACCOUNTING AND AUDITING REGULATOR
4. NOTIFICATION NO. 057 AAR/N.F.T ON DEADLINE FOR SUBMISSION OF NOTICE OF USING ENGLISH LANGUAGE IN COMPUTERIZED ACCOUNTING SYSTEM AND/OR OTHER RELATED COMPUTERIZED SYSTEMS TO THE ACCOUNTING AND AUDITING REGULATOR

I. PRESS RELEASE NO. 01 Pr.R ON ADDITIONAL MEASURES TO CONTINUE TO MITIGATE THE IMPACT AND SUPPORT THE RECOVERY OF THE TOURISM SECTOR OF THE ROYAL GOVERNMENT OF CAMBODIA DATED 15 JULY 2022

This Press Release might be interesting to the Taxpayers in tourism sector.

At the same time of enforcing the measures, policies, and other plans to control the spread of Covid-19 in accordance with the goal to continue supporting the affected businesses, the government has cooperated with the private sector and relevant ministries and institutions to introduce the following additional measures for tourism sector as below:

1. Continue to exempt all types of monthly taxes, except Value-Added Tax (VAT) for hotels, guesthouses and travel agencies registered with the General Department of Taxation (GDT) with business activities located in Phnom Penh, Siem Reap and Sihanoukville for additional period of 3 months from July to September 2022. However, the enterprises still oblige to file tax returns via E-VAT tax service each month during this time;
2. Continue to freeze debt figures by the end of 2019 and not counting the penalty in 2022 for the tourism sector; and
3. Promote businesses in the tourism sector by developing upskilling programs for their employee and be able to request for financial support from the Skills Development Fund (SDF) project as needed.

II. PRAKAS NO. 170/22 ON THE DATE OF STARTING CONTRIBUTION PAYMENT OF NATIONAL SOCIAL SECURITY FUND OF PENSION SECTION BY OBLIGATION ON CONTRIBUTION REGIME AND VOLUNTARY CONTRIBUTION REGIME DATED 05 JULY 2022

This Prakas might be interesting to all enterprises.

The purpose of this Prakas is to determine the starting date of the contribution payment for National Social Security Fund (NSSF) of pension section as stated in Article 33 of Sub-Decree No. 32 dated 04 March 2021 on the National Social Security Fund for individual person under the Labor Law provisions.

The starting date of the payment contribution for NSSF of pension section is from 01 October 2022 onwards.

III. NOTIFICATION NO. 053 AAR/N.F.T ON REMINDER OF IMPLEMENTATION OF OBLIGATIONS TO SUBMIT 2021 FINANCIAL STATEMENTS FOR INDEPENDENT AUDIT AND SUBMIT THE AUDITED FINANCIAL STATEMENTS TO THE ACCOUNTING AND AUDITING REGULATOR DATED 6 JULY 2022

This notification might be interesting to all enterprises.

The Accounting and Auditing Regulator (ACAR) of the Non-Bank Financial Services Authority issued this notification to inform the owners of enterprises have an obligation to submit their annual financial statements for an independent audit if the following criteria are met:

1. Public enterprise
2. Public liability company
3. Qualified Investment Project (QIP)
4. Enterprises that are not in Point 1, 2 and 3 above but meet 2 of the following 3 criteria:

Criterion 1: Have a turnover in the accounting period from KHR4 billion or more.

Criterion 2: Have total assets from KHR3 billion or more as at the closing date of the accounting period.

Criterion 3: Have at least 100 employees based on the average number of employees during year.

Enterprise can choose any independent auditor with a valid license for performing audit profession issued by the ACAR.

Enterprise must submit audited 2021 financial statements that to the ACAR no later than 15 July 2022 or no later than 6 months and 15 days counting from the date of financial period end.

Enterprises who wish for extension must apply to the ACAR no later than 15 July 2022 in accordance with regulations in force.

Enterprise must use E-Filing system of the ACAR to submit the audited financial statements to the ACAR.

Failure or being late in complying with these obligations will be subjected to penalties as stipulated in Sub-decree 79 dated 1 June 2020 on Interim Fines for Violations of Law on Accounting and Audit.

IV. NOTIFICATION NO. 057 AAR/N.F.T ON DEADLINE FOR SUBMISSION OF NOTICE OF USING ENGLISH LANGUAGE IN COMPUTERIZED ACCOUNTING SYSTEM AND/OR OTHER RELATED COMPUTERIZED SYSTEMS TO THE ACCOUNTING AND AUDITING REGULATOR DATED 21 JULY 2022

This Notification might be interesting to all enterprises.

This notification is to notify all enterprise that ACAR has set the deadline for submission of notice of use of English language in computerized accounting system or other related computerized system to ACAR via E-Filing as follows:

1. Enterprises that were officially incorporated before the date of this notification must submit notice of using English language in computerized accounting system and/or other related computerized system to the ACAR no later than 31 December 2022

2. Enterprises that have just been incorporated after the date of this notification must submit notice of using English language in computerized accounting system and/or other related computerized system to ACAR no later than 180 days (one hundred eighty days) counting from the date that the enterprise is officially registered with the GDT.

Any enterprise failing to submit or being late in submitting notice of using English language in computerized accounting system and/or other related computerized systems by the above deadline is subjected to interim fines as stipulated in Sub-decree 70 dated 1 June 2020 on Interim Fines for Violations of Law on Accounting and Audit.

Disclaimer

The information in this document is for general information purposes only and should not be used as a substitute for consultation with professional advisors. This document is in itself not an opinion document.

This article is not comprehensive and was prepared based on information available generally and is not intended to be relied upon as professional advice. The views expressed in this article represent our perspectives as of the date of this article. We may identify additional issues as we analyse the standard and the entities, and our views may evolve during that process.

We will not accept liability for any loss or damage suffered by any person directly or indirectly through reliance upon the information contained in this article.

For further information about how Baker Tilly Cambodia can assist you and your organisation, please contact us via below.

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