



# Technical Update TU002/2023

ISSUED IN APRIL 2023

These articles covered the important regulations issued by the GDT and MOEF on the following area:

## THIS NEWSLETTER COVERS

1. NOTIFICATION NO. 4549.GDT DATED 9 FEBRUARY 2023 ON THE REMINDER OF THE OBLIGATION ON REGISTRATION FOR SIMPLIFIED VAT REGISTRATION OF NON-RESIDENT TAXPAYERS
2. NOTIFICATION NO. 5735.GDT DATED 16 FEBRUARY 2023 ON THE ANNUAL INCOME TAX RETURNS FILING FOR TAX YEAR 2022
3. INSTRUCTION NO. 12350.GDT DATED 20 APRIL 2023 ON THE ADDITIONAL GUIDANCE ON THE IMPLEMENTATION OF WITHHOLDING TAX OBLIGATION

### I. NOTIFICATION NO. 4549.GDT ON THE REMINDER OF THE OBLIGATION ON REGISTRATION FOR SIMPLIFIED VAT REGISTRATION OF NON-RESIDENT TAXPAYER DATED 9 FEBRUARY 2023

This notification might be interesting to all non-resident taxpayers

This notification was issued by the GDT to remind those non-resident taxpayers supplying digital goods or digital services or any e-commerce activities via electronic system into the Kingdom of Cambodia with their estimated annual turnover above the stated threshold on accordance with the article 11 of the Prakas No. 542 MEF.PK, to effectively fulfill their obligation by having their simplified VAT Registrations completed in a timely manner to avoid any potential penalties being imposed as stipulated in the tax law and regulations in force.

GDT will use other effective means of measures such as publishing on social media the list of non-resident taxpayers who has failed to fulfill their obligation in accordance with the tax law and regulations in force.

### II. NOTIFICATION NO. 5735.GDT ON THE ANNUAL INCOME TAX RETURNS FILING FOR TAX YEAR 2022 DATED 9 FEBRUARY 2023

This notification might be interesting to all general taxpayers

This notification is to notify the directors, manager, or owners of enterprise under the self-reassessment regime that he/she is obligated to submit the annual tax on income for FY2022 and pay tax on stipulated deadline by 31 March 2023.

In additional, for employee of enterprises or tax agents who are in charge of doing the filing of the monthly and annual tax returns on behalf of their employers/taxpayers are required to upload their staff ID or authorization letters respectively into the system.

All enterprises that are filing and paying their 2022 annual income taxes are required to upload their balance sheet, profits and loss accounts and other additional information (if any).

### III. INSTRUCTION NO. 12350. GDT ON ADDITIONAL GUIDANCE FOR THE IMPLEMENTATION OF WITHHOLDING TAX OBLIGATION DATED 20 APRIL 2023

This instruction might be interesting to the general taxpayers.

This instruction was issued by the GDT to provide additional instruction to enterprise to implement the withholding tax obligation as follows:

1- In accordance with Article 45, Paragraph 1 of the Prakas Tax on Income, the withholding tax is due when the expense is paid or recorded, which one is earlier. Therefore, enterprises shall record the expense based on the CIFRS and declare the monthly tax expense in the month it is due whether or not the expenses have been settled.

2- For the operating expenses which are subject to withholding tax, as stated in Article 25 (New), and Article 26 (one) (New) of the Law on Taxation, enterprises or withholding tax agents shall have obligation to withhold and declare the withholding tax on a monthly basis to the Tax Administration in accordance with the law and regulations on taxation in force.

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