

Tax

Prakas on Reclassification of Taxpayers

The Ministry of Economy and Finance (“MEF”) has issued a Prakas No.025 on the Reclassification of Taxpayers under the Self-Assessment Regime (or the Real Regime of Taxpayers) dated 24 January 2018.

This Prakas No.025 aims to replace the classifications of taxpayers defined in the previous Prakas No. 1819 on the Classification of Taxpayers under the Self-Assessment Regime (or the Real Regime of Taxpayers) dated 25 December 2015.

Below is the table of the criteria of the classification of taxpayers as per the previous Prakas No. 1819 and the reclassification of taxpayers as per the new Prakas No. 025.

Taxpayers	Classification criteria	
	Prakas No. 1819 (Outdated)	Prakas No. 025 (New)
Small	<ul style="list-style-type: none"> Annual turnover from KHR 250,000,000 (approximately USD 62,500) to KHR 700,000,000 (approximately USD 175,000); Three consecutive months turnover or expected three consecutive months turnover more than KHR 60,000,000 (approximately USD 15,000) within the calendar year; Sole proprietorship or partnership; Participation in any bidding or quotation for supply of goods or services. 	<ul style="list-style-type: none"> Annual turnover from KHR 250,000,000 (approximately USD 62,500) to KHR 700,000,000 (approximately USD 175,000); Three consecutive months turnover or expected three consecutive months turnover more than KHR 60,000,000 (approximately USD 15,000) within the calendar year; Sole proprietorship or partnership; Participation in any bidding or quotation for supply of goods or services.
Medium	<ul style="list-style-type: none"> Enterprises with annual turnover from KHR 700,000,000 (approximately USD 175,000) to KHR 2,000,000,000 (approximately USD 500,000); Enterprises which are incorporated as legal entities; Sub-national institutions, associations and non-governmental organisations. 	<ul style="list-style-type: none"> Enterprises with annual turnover from KHR 700,000,000 (approximately USD 175,000) to KHR 4,000,000,000 (approximately USD 1,000,000); Enterprises which are incorporated as legal entities, representative offices; National and Sub-national government institutions, all types of organisations or associations including non-governmental organisations; Foreign embassies and consulates, international organisations and technical cooperation agencies of other countries.

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Large	<ul style="list-style-type: none">• Enterprises with annual turnover above KHR 2,000,000,000 (approximately USD 500,000);• Branches of foreign companies;• Enterprises registered as Qualified Investment Projects;• Government institutions, foreign embassies and consulates, international organisations and technical cooperation agencies of other countries.	<ul style="list-style-type: none">• Enterprises with annual turnover above KHR 4,000,000,000 (approximately USD 1,000,000);• Subsidiaries of multinational companies, branches of foreign companies;• Enterprises registered as Qualified Investment Projects.
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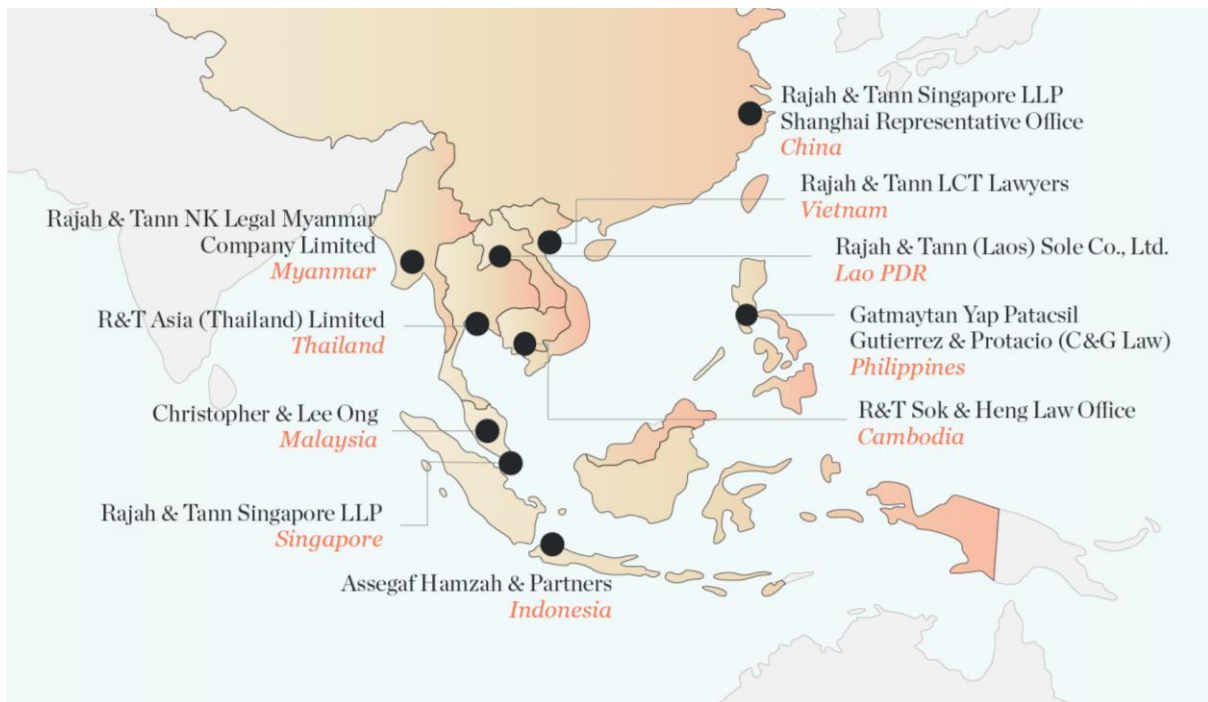
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