

Cambodia

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|--------------------------|----------|
| Income Tax Rate | 0% - 20% |
| Corporate Tax Rate | 20% |
| Sales Tax / Service Rate | 10% |

Personal Income Tax

Individual income tax rates are progressive, between 0% - 20% as shown below:

| Taxable Income (KHR) | Tax rate |
|----------------------------|----------|
| KHR 0 – 500,000 | 0% |
| KHR 500,001 – 1,250,000 | 5% |
| KHR 1,250,001 – 8,500,000 | 10% |
| KHR 8,500,001 – 12,500,000 | 15% |
| KHR 12,500,001 and above | 20% |

- For non-residents, only the Cambodian sourced salary is subject to Cambodian Tax regardless of the place of salary payment. The tax rate for non-residents is flat at 20%.
- For residents, including Cambodian and individual presents in Cambodia for more than 182 days in any 12 month period, are taxed at the progressive rates as mentioned above. Employers must make monthly Tax on Salary declarations and payments not later than the 15th day of the succeeding month.

Corporate Tax

The standard corporate tax rate in Cambodia is 20%. Oil and gas, and a business of mineral exploitation activities are subject to a 30% tax rate. Insurance is granted 5% tax rate.

Withholding Tax

| Types of taxable income | Tax rate | |
|-------------------------|--|--------------------------|
| | Payment for resident or resident foreigner | Payment for non-resident |
| Dividend | | 14% |
| Rent | 10% | 14% |
| Interest | 15% | 14% |
| Royalty | 15% | |
| Service fee | 15% | |
| Management fee | | 14% |

Cambodia has no Capital Gains Tax.

Value Added Tax/Sales Tax

The standard rate of Value Added Tax (VAT) in Cambodia is 10%. However, 0% VAT rate applies to support industries who supply certain goods and services to exporters. The example of these industries are garment manufacturers, textile and footwear industries.

Tax incentives for SMEs

There are various tax strategies provided to SME owners in order to increase the level of competitiveness of agricultural products such as cotton, kenaf, sugar, palm, oil, rubber, cashew nut, cassava and fruits. In addition, export promotion for SME products is also granted.