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Cambodia | Tax and Advisory Services | 26 February 2020



Cambodia Tax Alert:

New taxable income thresholds for non-corporate business owners and tax on salary

The Royal Government of Cambodia issued a sub-decree on 13 February 2020 to implement new taxable income thresholds for non-corporate business owners and tax on salary (TOS), effective immediately. The following tables summarize the new thresholds:

Thresholds for non-corporate business owners:

Annual taxable income		Tax rate
KHR	USD*	
Up to 16,000,000	Up to 4,000	0%
16,000,001 - 24,000,000	4,000 - 6,000	5%
24,000,001 - 102,000,000	6,000 - 25,500	10%
102,000,001 - 150,000,00	25,500 - 37,500	15%
Over 150,000,00	Over 37,500	20%

TOS thresholds:

Monthly salary		Tax rate	Cumulative deduction threshold	
KHR	USD*		KHR	USD*
Up to 1,300,000	Up to 325	0%	0	0
1,300,001 - 2,000,000	325 - 500	5%	65,000	16.25
2,000,001 - 8,500,000	500 - 2,125	10%	165,000	41.25
8,500,001 - 12,500,000	2,125 - 3,125	15%	590,000	147.50

Over 12,500,000	Over 3,125	20%	1,215,000	303.75
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* Assumption: USD 1 = KHR 4,000

The allowance for dependents remains unchanged at KHR 150,000 (approximately USD 38) for each dependent (i.e., a stay-at-home spouse or a child under 14 years, or up to 25 years if the child is a full-time student at an officially recognized educational institution).

If you have any questions or would like additional information on the topics covered in this alert, please contact the Deloitte Cambodia tax team below.

Best regards,

Kimsroy CHHIV
Partner
Deloitte Cambodia
kchhiv@deloitte.com

Vuthy SRENG
Director
Deloitte Cambodia
vsreng@deloitte.com



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