

# Technical Update

February 2008

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## Notification on the New Tax Registration Procedure

*(No. 1122TD.LMTB, dated 29 February 2008)*

The Large and Medium Taxpayers Bureau of the Tax Department (TD) has issued notification (NT) no. 1122TD.LMTB, to inform directors of all enterprises under the real regime about new tax registration procedures for newly established entities. The NT provides that:

1. The taxpayer is required to register with the TD to obtain a Tax Identification Number (TIN) within 15 days after registration with the Ministry of Commerce
2. After obtaining a TIN, the taxpayer is required to pay the patent tax of KHR1,140,000 or KHR570,000 for registration in the 1st or 2nd semester of the year respectively and stamp duty of KHR100,000 to the TD's account at the National Bank of Cambodia (NBC)
3. The taxpayer is required to submit the NBC's receipts for the patent tax and stamp duty payments together with the application for obtaining the patent tax and VAT registration certificates.

It is noted that the above NT has simplified tax registration procedures by removing the previous requirement to pay the said stamp duty at the Phnom Penh Municipal Tax Branch.

The NT also reminds taxpayers that late tax registrations will result in penalties as prescribed by the Law on Taxation.

## Prakas on Registration of Enterprise/Establishment and Employees in National Social Security Fund

(No. 021/08 KB-BrK, dated 11 February 2008)

The Ministry of Labour and Vocational Training (MLVT) has issued Prakas no. 021/08 KB-BrK, effective from 1 March 2008.

The Prakas requires every business employer or owner, under the Law of Social Security Scheme for persons defined by the provisions of the Labour Law, to register their enterprise/establishment with the National Social Security Fund (NSSF) as follows:

- Existing enterprises/establishments shall register with the NSSF within 45 days of this Prakas' effective date
- Enterprises/establishments commencing operations after the Prakas' effective date shall register with the NSSF within 45 days after the date of the opening of the enterprise/establishment

Upon receiving the Certificate of Enterprise/Establishment Registration, the NSSF shall provide an ID number and issue an Occupational Risk Insurance Card for each employee.

The Prakas also requires every enterprise/establishment to send a report detailing its number of employees for each month to the NSSF by the 15th of the following month.

## Prakas on Determination of the Phase and Scope of Implementation of Occupational Risk Insurance

(No. 022 KB-BrK, dated 11 February 2008)

To accompany Prakas no. 021KB-BrK on registration with the NSSF, the MLVT has issued Prakas no. 022/08 KB-BrK, effective 11 February 2008 to clarify the phases of the NSSF implementation as follows:

- Occupational Risk Insurance shall be implemented in 2008
- Health care, pension scheme and other social security insurance will be determined later.

The Prakas further states that, during the first phase of the NSSF implementation, the registration of enterprises/establishments shall only apply to enterprises/establishments that have eight or more employees.

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