

Ministry of Economy and Finance

**Announcement
On
The Suspension of Advance Payments of Income Tax for
Enterprises in the Textile and Garment Industry**



**Deputy Prime Minister
Minister of Economy and Finance**

- Having regard to the Constitution of the Kingdom of Cambodia;
- Having regard to Royal Decree No. NS/RKT/0823/1981 dated 22 August 2023 on the Appointment of the Royal Government of the Kingdom of Cambodia;
- Having regard to Royal Decree No. NS/RKT/0224/0205 dated 21 February 2024 on the Appointment of Additional Members of the Royal Government of the Kingdom of Cambodia;
- Having regard to Royal Decree No. NS/RKT/0924/1169 dated 20 September 2024 on the Amendment and Appointment of the Composition of the Royal Government of the Kingdom of Cambodia;
- Having regard to Royal Decree No. NS/RKT/1124/1477 dated 20 November 2024 on the Amendment and Additional Appointment of the Composition of the Royal Government of the Kingdom of Cambodia;
- Having regard to Royal Kram No. NS/RKM/0618/012 dated 28 June 2018 promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Having regard to Royal Kram No. NS/RKM/0196/18 dated 24 January 1996 promulgating the Law on the Establishment of the Ministry of Economy and Finance;
- Having regard to Royal Kram No. NS/RKM/0323/001 dated 10 March 2023 promulgating the Law on the Public Financial System;
- Having regard to Royal Kram No. NS/RKM/0523/004 dated 16 May 2023 promulgating the Law on Taxation;
- Having regard to Sub-Decree No. 43 ANKr.BK dated 28 February 2022 on the Organization and Functioning of the Ministry of Economy and Finance;
- Pursuant to the practical necessities of the Ministry of Economy and Finance;

Complete Articles:

Article 1

The purpose of this Prakas is to temporarily suspend the payment of monthly prepayments of corporate income tax for enterprises in the textile and garment industry sector, in order to ensure sustainability, promote exports, and create employment opportunities for workers and employees, as well as for citizens who benefit from this sector.

Article 2

This Prakas applies to enterprises that are Qualified Investment Projects (QIP) in the textile and garment sector whose corporate income tax exemption period has expired. These include:

- * Textile manufacturing enterprises;
- * Garment manufacturing enterprises;
- * Footwear manufacturing enterprises;
- * Backpack and handbag manufacturing enterprises;
- * Hat manufacturing enterprises;
- * Enterprises producing labels for garments;
- * Glove manufacturing enterprises;
- * Sock manufacturing enterprises;
- * Towel manufacturing enterprises;
- * Pillowcase manufacturing enterprises;
- * Blanket cover manufacturing enterprises;
- * Mattress cover manufacturing enterprises; and
- * Tablecloth manufacturing enterprises,

provided that such production is for export purposes.

Article 3

Enterprises as specified in Article 2 of this Prakas shall be granted a temporary suspension of the payment of monthly prepayments of corporate income tax until the end of the year 2028.

Article 4

To be eligible for the suspension of monthly prepayments of corporate income tax as provided in Article 3 of this Prakas, enterprises must comply with the following conditions:

1. Maintain proper accounting records in accordance with the applicable laws and regulations on taxation, as well as the laws and regulations on accounting and auditing;
2. Submit tax declarations and pay other taxes and duties within the prescribed deadlines, in accordance with the applicable laws and regulations on taxation;
3. Submit annual independent audit reports to the Tax Administration. Failure to comply with any of the above three conditions shall result in the revocation of the suspension of monthly prepayments of corporate income tax, and the enterprise shall be subject to other penalties in accordance with applicable laws.

Article 5

Any provisions contrary to this Prakas shall be deemed null and void.

Article 6

The Delegate Minister attached to the Prime Minister, the Director of the Cabinet, the Secretary-General, Government Delegates in charge as Directors-General of the General Departments or Directors-General of all General Departments, the Inspector-General of the General Inspectorate, and the Heads of Units under the supervision of the Ministry of Economy and Finance shall be responsible for implementing this Prakas within their respective competencies from the date of signature onward.