KRESTON CAMBODIA

CAM ACCOUNTING & TAX SERVICE CO., LTD.

TAX UPDATE MEMORANDUM

Major Cambodian Tax Regulatory Developments — 2026

Executive Summary

In 2026, Ministry of Economy and Finance (MEF) and General Department of Taxation issued relatively few wholly new tax regulations. Instead, most regulatory activity centered on sector-specific incentives, tax administration and e-filing infrastructure, targeted VAT relief, and continued enforcement of existing frameworks. Seven notable instruments are summarised below, spanning tourism incentives, capital gains tax administration, VAT relief for petroleum products, invoicing rules for international waterway transport, control of alcohol and sugar-sweetened beverage promotions, benchmark interest rates for related-party loans, and property/unused land tax compliance reminders.

The table below provides a quick-reference summary; detailed analysis and practical implications for each item follow.

Ref	Regulation	Date	Topic	Key Impact
A	Prakas No. 122 MEF.Prk.GDT	30 Jan 2026	Tourism tax incentives — Siem Reap	TOI, monthly taxes exempt; no 2026 audit
B	Instruction No. 10750 GDT	26 Mar 2026	Capital Gains Tax — e-filing	Online CGT filing now mandated
C	Instruction No. 006 MEF.S.N.N.GDT	3 Apr 2026	VAT relief — diesel & LPG	Temporary VAT exemption on fuel
D	Instruction No. 3660 GDT	30 Jan 2026	International waterway invoicing	Local agent/PE must invoice on behalf of non-resident carrier
E	Instruction No. 011 MEF.S.N.N.GDT	29 Jun 2026	Alcohol & sugar-beverage promotions	Tighter control on promotional/marketing schemes
F	Notifications 2158 & 5097 GDT	20 Jan / 11 Feb 2026	Market interest rate for loans	Benchmark rates for related-party loan pricing, TY2025
G	Notification No. 24467 GDT	17 Jul 2026	Property / Unused Land Tax reminder	TY2026 declaration & payment deadline reminder

Detailed Analysis

A. Tourism Tax Incentives — Siem Reap

Reference: *Prakas No. 122 MEF.Prk.GDT* | **Issued:** *30 January 2026*

The Prakas grants tax incentives to businesses operating in the tourism sector in Siem Reap province, updating and replacing the earlier Siem Reap tourism incentive framework.

Key relief: Potential exemption from Tax on Income (TOI) and monthly taxes, together with a waiver of tax audit for the 2026 period

Practical impact: Eligible Siem Reap tourism operators (hotels, guesthouses, restaurants, tour operators, and related services) should review their qualification status promptly, as the incentive is period-specific and tied to the 2026 tax year. Businesses should confirm registration and compliance conditions with the GDT to secure both the exemption and the audit waiver.

B. Capital Gains Tax (CGT) — Electronic Filing Implementation

Reference: *GDT Instruction No. 10750 GDT* | **Issued:** *26 March 2026*

This Instruction establishes the procedure for filing CGT returns online through the GDT's electronic tax system, marking a further step toward digital administration of CGT.

Status of property CGT: Implementation for capital gains on immovable property remains postponed; the e-filing mechanism currently applies to CGT categories that are already in effect

> **Practical impact:** Taxpayers with reportable capital gains (e.g., on shares, financial instruments, or other applicable assets) should register for and become familiar with the online filing portal ahead of filing deadlines. Property owners and real estate businesses should continue to monitor for the eventual activation of property CGT, as the administrative infrastructure is now largely in place.

C. VAT Relief for Petroleum Products (Diesel and LPG)

Reference: *MEF Instruction No. 006 MEF.S.N.N.GDT* | **Issued:** *3 April 2026*

In response to elevated international fuel prices, this Instruction provides a temporary VAT exemption, absorbed as a state burden, on supplies of diesel and LPG products.

Who is affected: Petroleum importers, distributors, and downstream businesses in the energy and transportation sectors

> **Practical impact:** Affected businesses should adjust VAT treatment on qualifying diesel and LPG transactions for the relief period, update invoicing and accounting systems accordingly, and monitor for the official expiry or extension of the exemption, since it is explicitly temporary and tied to prevailing fuel price conditions.

D. International Waterway Transportation — Invoicing Requirements

Reference: *Instruction No. 3660 GDT* | **Issued:** *30 January 2026*

This Instruction reinforces invoicing obligations previously introduced under Prakas No. 405 (21 May 2025) for international waterway transportation enterprises.

- Where a Cambodian agent or permanent establishment (PE) acts for a non-resident international waterway transportation enterprise, the agent/PE is required to issue invoices to customers on behalf of that non-resident enterprise.
- The invoice must clearly display the name of the non-resident liner/waterway transportation enterprise.

> **Practical impact:** Local shipping agents and PEs representing foreign waterway carriers should review their invoicing templates and internal processes now to ensure the non-resident principal is properly named on all customer-facing invoices, reducing the risk of non-compliance findings on audit.

E. Alcohol and Sugar-Sweetened Beverages — Promotional Controls

Reference: *Instruction No. 011 MEF.S.N.N.GDT* | **Issued:** *29 June 2026*

This Instruction tightens control over promotional schemes involving alcoholic products and sugar-sweetened beverages, targeting producers, importers, and distributors of these goods.

Scope: Marketing and promotional activities connected with production, importation, and distribution/sale of the covered products

> **Practical impact:** Businesses in the beverage and alcohol supply chain should review current and planned promotional campaigns (discounts, giveaways, sponsorships, point-of-sale marketing) against the new controls, and coordinate with marketing and compliance functions to avoid exposure to penalties.

F. Market Interest Rate for Related-Party Loans

Reference: *Notification No. 2158 GDT (20 Jan 2026) and Notification No. 5097 GDT (11 Feb 2026)* | **Issued:** *January–February 2026*

Notification 2158 sets out the general market interest rate for loans, while Notification 5097 specifically establishes the market interest rate applicable to loans between related parties for the 2025 tax year.

Practical distinction: Notification 5097 is the more directly relevant reference for related-party/transfer pricing purposes, while Notification 2158 has broader application to loans generally

> **Practical impact:** Companies with related-party financing arrangements should benchmark their intercompany interest rates against Notification 5097 when finalising 2025 tax filings and supporting transfer pricing documentation, to reduce the risk of GDT adjustment on deemed interest income or disallowed interest expense.

G. Property Tax and Unused Land Tax — Compliance Reminder

Reference: *Notification No. 24467 GDT* | **Issued:** *17 July 2026*

This Notification serves as a reminder to taxpayers regarding the declaration and payment of Property Tax and Unused Land Tax for the 2026 tax year.

> **Practical impact:** Owners of immovable property and unused land should confirm their 2026 valuation basis, declaration status, and payment deadlines to avoid late-payment penalties, particularly where property has changed use, ownership, or development status during the year.

Cam Accounting & Tax Service Co., Ltd., a member firm of Kreston Global, holding a GDT tax agent license, Accounting, Auditing, and liquidator licenses from ACAR, and accredited by the National Bank of Cambodia (NBC) and Trust Regulator (TR).

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