

Kingdom of Cambodia
Nation Religion King

Royal Government of Cambodia
No 01 SRC

Sarachor
on
Measures to Improve the Effectiveness of Tax Revenue Management

Pursuant to the Royal Government's policy and subsequent decisions of the Office of the Council of Ministers, the Royal Government had taken several measures to improve in an effective manner the management of economic reform and public finances including measures to collect tax revenues by strengthening internal tax collection and improving tax structures.

To achieve the abovementioned aims, the Royal Government had issued the following measures:

1. The Ministry of Economy and Finance shall:

- Instruct all fiscal administration (Custom department and Taxation department) to fulfill their duties to collect and manage the revenue collection and taxpayers to pay profit tax and other taxation obligations properly in accordance to the law. For that purpose, the Minister of Economy and Finance shall issue a Sarachor Nernam to all concerned departments and entities under the Ministry such as: the Taxation Department; the Custom Department, the Public Procurement Department, the National Treasury, the Investment and Cooperation Department and the State Property Department to implement various measures in order to strengthen the management and control the execution of those tax obligations.
- Improve the tax collection in an effective manner, and re-assess the tax liabilities for enterprises that did not declare properly.
- Further strengthen information exchange network with other main institutions such as the Council for the Development of Cambodia, the Ministry of Commerce; the Ministry of Industry, Mines and Energy, the Ministry of Agriculture, and other concerned ministries and institutions.

2. The Council for the Development of Cambodia:

- Shall be responsible for providing all investment documents to the Taxation Department as determined in Anukret No 88 ANK/BK of December 29, 1997 on the Implementation of the Investment Law of the Kingdom of Cambodia. The documents to be provided are as follow: a copy of information provided by investors in the application form and all agreements entered into by the investors and CDC and the approval of CDC in which all information relating to the financial flow of investment, tax incentives and other detailed list of goods with tax exemption and import taxes.
- Shall examine only complete applications for import attached with the necessary and proper documents of the Taxation Department indicating that all tax liabilities of the companies have been settled.

3. The Ministry of Commerce, the Ministry of Industry, Mines and Energy, the Ministry of Agriculture and other concerned ministries and institutions shall submit to the Taxation Department the list of enterprises registered in the Commerce Register, or names of enterprises authorized to conduct business, and information on import and export activities for each enterprise. The authorization to remove the enterprises from the Commerce Register shall be applied only for those certified with a tax clearance certificate

Upon receipt of this Sarachor, Your Excellencies Ministers, Secretaries of State, Chiefs of all concerned ministries and institutions shall be requested to cooperate in order to implement it in an effective manner.

Phnom Penh, January 17, 2001
Signed and sealed
Samdech Hun Sen

CC:

- Royal Cabinet of the King;
- General Secretariat of the Senate;
- General Secretariat of the National Assembly;
- Cabinet of Samdech Prime Minister;
- All concerned ministries, institutions;
- All municipal and provincial halls;
- Records.