

Cambodia TAX Update:

Sub-Decree issued by the Royal Government on Table of Taxable Thresholds for Annual Tax on Income and Monthly Tax on Salary No. 196 dated 28 October 2022 “Sub-Decree 196”

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The government has amended the taxable thresholds for the Annual Tax on Income and Monthly Tax on Salary according to Sub-decree No. 196. In accordance with Sub-decree No. 196, it will come into effect on January 1, 2023. Sub-Decree No. 196 has the following purposes:

1. To determine the table of taxable thresholds for annual tax on income which is realized by the normal persons, sole proprietorships, partnerships and on the distributive shares of partners in a partnership that are not classified as a legal person under the Law on Taxation.
2. To amend the table of thresholds on monthly Tax on Salary for resident employees who are based in Cambodia.

The tables of thresholds on taxable Income and Salary are set below:

- **The threshold of taxable Income as mentioned in (1) above are as follow:**

No.	The Thresholds of Annual Taxable Income		Tax Rate
	KHR	USD (Approx.)	
1.	From KHR 0 to KHR 18,000,000	From USD 0 to USD 4,500	0%
2.	From KHR 18,000,001 to KHR 24,000,000	From USD 4,500 to USD 6,000	5%
3.	From KHR 24,000,001 to KHR 102,000,000	From USD 6000 to USD 25,500	10%
4.	From KHR 102,000,001 to KHR 150,000,000	From USD 25,500 to USD 37,500	15%
5.	Over KHR150,000,000	Over USD 37,500	20%

- **The thresholds of taxable salary as mentioned in (2) above, are as follow:**

No.	The Thresholds of Monthly Taxable Salary		Tax Rate
	KHR	USD (Approx.)	
1.	From KHR 0 to KHR 1,500,000	From USD 0 to USD 375	0%
2.	From KHR 1,500,001 to KHR 2,000,000	From USD 375 to USD 500	5%
3.	From KHR 2,000,001 to KHR 8,500,000	From USD 500 to USD 2,125	10%
4.	From KHR 8,500,001 to KHR 12,500,000	From USD 2,125 to USD 3,125	15%
5.	Over KHR12,500,000	Over USD 3,125	20%

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