

**Kingdom of Cambodia  
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**Ministry of Economy and Finance  
General Department of Taxation  
No. 12802 GDT**

Phnom Penh, 06 September 2018

**Notification  
On**

**Voluntary Correction of Accounting Records and Tax Return and Obligation to Provide  
Independent Audit Report of Enterprises in the Textile and Garment Industry**

Pursuant to Prakas 1130 MoEF dated 27 October 2017 on Suspension of Advance Income Tax of Enterprises in the Textile and Garment Industry and Prakas 741 MoEF. Br.K dated 03 August 2018 on Rule and Procedure for Implementation of Income Tax and Other Taxes Related to the Activity of Cut, Make and Trim of Qualified Investment Project of the Ministry of Economy and Finance, the General Department of Taxation of the Ministry of Economy and Finance would like to inform all governors, managers or owners of enterprises in the textile and garment industry that so far the General Department of Taxation has noticed that some enterprises have corrected their accounting records and tax return and provided their independent annual audit report to the Tax Administration to prove their tax compliance in accordance with the laws and regulations on taxation to receive an incentive of suspension of monthly advance income tax until the end of 2022 and have been recognized as enterprises that supply the service of Cut, Make and Trim (CMT). However, some enterprises that have incorrect accounting records and tax return have yet to correct their accounting records and tax return and have yet to provide their independent annual audit report to the General Department of Taxation which can make those enterprises lose the eligibility for the suspension of advance income tax, lose the status as enterprise that supplies the service of Cut, Make and Trim (CMT) and can be considered low compliance enterprise and be punished in accordance with the laws and regulations on taxation.

To strengthen the implementation of the laws and regulations on taxation and to avoid the loss of the eligibility for the benefits as well as being punished as stated above, the General Department of Taxation would like to remind all governors, managers or owners of enterprises in the textile and garment industry who have not made corrections to correct their accounting records and tax return within 03 (three) years backwards and provide their independent annual audit report to the Tax Administration **no later than 31 March 2019**. During this period, if the result of the correction lead to taxes to be paid, the enterprise shall be exempted from punishments including additional tax and interest for being late. However, in case the auditors of the General Department of Taxation have found that there is an additional tax to be paid during the audit period, those enterprises will not be exempted.

The General Department of Taxation strongly hopes that all governors, managers or owners of enterprises in the textile and garment industry will pay attention and cooperate in implementing this notification in a highly effective manner.

**Royal Government Delegate  
In charge as Director General of General Department of Taxation  
(signed and stamped)  
Kong Vibol**