



**TAX
UPDATE**

DFDLPlus

Updated Tax on Transportation Means for 2025

29 November 2024

Key Highlights

- The Ministry of Economy and Finance (“**MEF**”) issued Prakas 738, detailing the rules and procedures for collecting the tax on means of transportation (“**Transportation Tax**”), which will take effect from 1 January 2025. This new Prakas supersedes the earlier Prakas 531 issued in 2018.
- Prakas 738 introduces new categories for trailer trucks, semi-trailers, passenger buses, and electric vehicles, and modifies tax rates for tourist vehicles, light trucks, and passenger cars.
- Certain vehicles, such as state-owned ambulances, fire trucks, military vehicles, and vehicles owned by foreign embassies or international organizations, remain exempt from the Transportation Tax.
- Vehicle owners must annually declare and pay the tax between June 1 and November 30. Payments can be made at various locations, and tax payment stickers must be affixed to the vehicles. The GDT will monitor compliance starting January 1 each year.

Details

On 31 October 2024, the MEF issued Prakas 738 outlining the rules and procedures for the management of collection of Transportation Tax.

The Transportation Tax applies to all owners of “means of transportation”, covering all types of vehicles, including ships, ferries, boats, canoes, motorboats, cars, trailer trucks, trailers, semi-trailers, motorcycles, tricycles, tractors, and similar machinery.

Prakas 738 has been issued to align with the new Sub-Decree 196 dated 27 August 2024 concerning the Transportation Tax. This new Prakas supersedes Prakas 531 dated 30 May 2018 and will be effective from 1 January 2025.



The following are the key considerations under Prakas 738:

1. Application of the Transportation Tax

The key changes for Transportation Tax include the addition of specific categories for trailer trucks and semi-trailers, passenger buses, and electric vehicles. In addition, the tax rates for tourist vehicles, light trucks with four doors (pick-ups), and passenger cars have been modified.

Effective 1 January 2025, owners of these transportation means will be subject to the following Transportation Tax:

	Tax in KHR
General Transportation Means	
A. Total Truck weight (vehicle weight and load weight)	200,000 to 2,000,000 (based on tons)
B. Trailer trucks and semi-trailers (new category)	2,000,000
C. Total trailer weight (trailer weight and load weight)	500,000 to 2,000,000 (based on tons)
D. River Boats or Water Vehicles	
Goods Transporting Boats or Water Vehicles	50,000 to 300,000 (based on tons)
Passenger Boats or Water Vehicles	100,000 to 300,000 (based on length)
Trailer Boats or Water Vehicles	60,000 to 300,000 (based on horsepower)
Fishing Boats or Water Vehicles	60,000 to 300,000 (based on horsepower)
E. Sea Boats or Vehicles	
Passenger Boats or Water Vehicles	100,000 to 150,000 (based on length)
Goods Transporting Boats or Water Vehicles	200,000 to 1,200,000 (based on the load weight)
Fishing Boats or Water Vehicles	100,000 to 1,200,000 (based on horsepower)
Trailer Boats or Water Vehicles	200,000 to 600,000 (based on horsepower)
F. River or Sea Motorboats	400,000 to 500,000 (based on horsepower)
Modified Transportation Means	
G. Trailer with 2 axles and 4 wheels	200,000
H. Trailer with 4 axles and 8 wheels	500,000
I. Truck with 3 axles and 6 wheels	1,000,000
J. Heavy Truck with 3 axles and 10 wheels	2,000,000
Cars	
Up to 1,500 cm ³	80,000 to 150,000 (based on manufacturing year)
More than 1,500 cm ³ to 2,000 cm ³	100,000 to 200,000 (based on manufacturing year)
More than 2,000 cm ³ to 2,900 cm ³	250,000 to 600,000 (based on manufacturing year)

	Tax in KHR
More than 2,900 cm ³ to 4,000 cm ³	600,000 to 1,600,000 (based on manufacturing year)
More than 4,000 cm ³	800,000 to 2,000,000 (based on manufacturing year)
Small Trucks with 4 doors Pick-up (Pick-up Truck)	
Up to 1,500 cm ³	100,000 to 150,000 (based on manufacturing year)
More than 1,500 cm ³ to 2,000 cm ³	150,000 to 200,000 (based on manufacturing year)
More than 2,000 cm ³ to 2,900 cm ³	200,000 to 600,000 (based on manufacturing year)
More than 2,900 cm ³ to 4,000 cm ³	200,000 to 1,600,000 (based on manufacturing year)
More than 4,000 cm ³	200,000 to 2,000,000 (based on manufacturing year)
Passenger Bus (new category)	
Within 5 years from manufacturing year	
Up to 1,500 cm ³	150,000
More than 1,500 cm ³ to 2,000 cm ³	200,000
More than 2,000 cm ³ to 2,900 cm ³	600,000
More than 2,900 cm ³ to 4,000 cm ³	1,600,000
More than 4,000 cm ³	2,000,000
More than 5 years from manufacturing year	
Passenger bus up to 15 seats	150,000
Medium passenger bus with 16 to 25 seats	200,000
Heavy passenger bus with more than 25 seats	250,000
Electric vehicles (EV) (new category), tourist type, light truck with 4 doors (pick-up) and passenger car: (reduced rates for manufacturing years exceeding 5 years)	
Up to 150 horsepower	60,000 to 100,000 (based on manufacturing year)
More than 150 to 200 horsepower	80,000 to 150,000 (based on manufacturing year)
More than 200 to 250 horsepower	150,000 to 500,000 (based on manufacturing year)
More than 250 to 300 horsepower	400,000 to 1,200,000 (based on manufacturing year)
More than 300 horsepower	600,000 to 1,600,000 (based on manufacturing year)

2. Exemptions

The following means of transportation are exempt from the Transportation Tax:

- A. Ambulances and fire trucks owned by the state.
- B. Vehicles owned by the Royal Cambodian Armed Forces, the Royal Gendarmerie, and the National Police, used for national defense, security, and social order.
- C. Vehicles owned by foreign embassies or consulates, international organizations, or governmental technical cooperation agencies.
- D. Motorcycles and tricycles of all kinds, tractors and similar machinery, and all types of water vehicles with a power of 150 horsepower or less.
- E. Cars converted from bulldozers and motorized modified three-wheeled cars.

For Items 1-3 owned by ministries, state institutions, embassies, foreign consulates, international organizations, and governmental technical cooperation agencies, the owner should submit a request to the General Department of Taxation ("**GDT**"). This request should include an inventory of vehicles and state assets registered with the General Department of State Property and Non-Fiscal Revenue ("**GDSPNFR**") of the MEF to obtain tax payment stickers or tax exemption.

3. Reporting Requirements

The owners or their representatives must submit a declaration and pay this tax annually between June 1 and November 30. The declaration and documentary requirements may vary depending on the type of means of transportation. Among the documents that need to be prepared include



original copy of the vehicle identification card, identity card/passport of the owner, and certificate of tax registration for legal entities.

Payment can be made at the GDT, provincial or district tax branches, partner banks, or via a mobile app. Once the tax is paid, the owner of the transportation means will receive a transportation means tax payment receipt, and the transportation means tax payment sticker. The transportation means tax payment sticker must be affixed to that means of transportation and the tax receipt can be kept for use as needed.

For any changes in information, the owner must request to update the information of that transportation means at the GDT or provincial/district tax branches.

4. Special Requirements and Other Provisions

- Transportation means owned by ministries and state institutions (with state license plates) must be submitted to the GDT or the provincial/district tax branch to pay the Transportation Tax.

DFDL Comments:

Starting January 2025, these updates to the Transportation Tax in Cambodia will play a crucial role in generating national revenue, regulating vehicle ownership, and ensuring compliance with legal requirements. By revising tax rates and incorporating new categories like electric vehicles under Prakas 738, these changes will align the Transportation Tax with current infrastructure developments and the evolving transportation options available to the public.

Tax services required to be undertaken by a licensed tax agent in Cambodia are provided by Mekong Tax Services Co., Ltd, a member of DFDL and licensed as a Cambodian tax agent under license number – TA201701018.

This submission should include a letter of credit from the General Department of National Treasury or Provincial Treasury, along with an inventory of vehicles owned by the state (reflecting the annual increase and decrease of state property) registered with the GDSPNFR of the MEF.

- If a vehicle has an import tax payment receipt dated before December but receives its first vehicle registration card in December of the current tax year, the Transportation Tax for that year must be paid, with an additional tax (or late payment penalty) exemption. However, if both the vehicle identification card and the import tax payment receipt are issued in December of the same year, the tax can be paid in the following year.
- Starting January 1 of each year, the GDT will implement a system to monitor the payment of taxes and additional Transportation Taxes. This ensures that annual tax returns are filed, and taxes are paid according to tax laws and regulations.

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