Overview Prakas on Means of Transporation Tax

On 31 October 2024, the Ministry of Economy and Finance issued Prakas No. 738 on Means of Transportation Tax. This Prakas takes effect from 1 January 2025.

1. Purpose

This Prakas established the rules and procedures to govern the collection of tax on means of transportation.

2. Scope

This Prakas covers various types of transportation, including:

- Trucks and heavy vehicles.
- Passenger cars and pickup vans.
- Tourist buses and passenger vans.
- Trailers and semi-trailers.
- River and marine vessels.
- Cargo ships, passenger boats, and fishing vessels.
- Electric vehicles.
- Similar machinery.

3. Tax Rate

The annual transportation tax varies depending on the type and characteristics of the vehicle, including:

- Vehicle weight and carrying capacity.
- Engine displacement (cubic centimeters).
- Engine power (horsepower).
- Vehicle length for certain vessels.
- Number of passenger seats.
- Year of manufacture.

4. Transportation Tax Exemptions

According to of this Prakas, several categories of transportation exempt from the tax:

- State-owned ambulances and fire trucks.
- Vehicle belonging to the Royal Cambodian Armed Forces, Royal Military Police, and National Police, used exclusively for national defense, security, and public order.
- Vehicles owned by foreign embassies, consulates, international organizations, and government technical cooperation agencies.
- Motorcycles, tricycles, tractors, similar machinery, and watercraft with engine power of 150 horsepower or less.
- Vehicles converted from motorized bullock carts and modified motorized three-wheeled vehicles.

5. Tax Declaration and Payment Period

- The vehicle owner is responsible for paying the means of transportation tax.
- The owner or authorized representative shall declare and pay the tax annually.
- The annual payment period is 1 June to 30 November.

- The payments can be made through:River and marine vessels.
  - General Department of Taxation (GDT).
  - Provincial or Khan Tax Branches.
  - Partner banks.
  - Authorized mobile applications.

6. Required Documents for Tax Payment

Depending on the vehicle category, the owner shall provide relevant supporting documents. The general documentation requirements include:

- Original Vehicle Identification Card.
- Owner's Identity Card or Passport.
- Original Vehicle Technical Inspection Certificate issued by the Ministry of Public Works and Transportation.
- Certificate of Tax Registration (Value Added Tax-VAT) for legal entities.
- Original certificate of vehicle usage issued by the Commune/Sangkat for locally modified vehicles.

Owners who have previously registered and paid taxes may use their existing transportation tax identification card, Vehicle Identification Card, or tax payment receipt, or previous year vehicle tax vignette or label sticker.

7. Transportation Tax Identification Card

Article 7 provides that, when applying for a transportation tax identification card, vehicle owners may:

- Request either a physical card or an electronic card (E-Card).
- Pay a service fee of KHR 5,000.
- Obtain the card through the GDT, provincial or Khan Tax Branches, or online in the case of an E-Card.

Vehicle owners are required to update their vehicle information whenever relevant registration details change. In the event of a lost tax certificate, owners may apply to the tax administration for a replacement certificate.

8. For Government and International Organizations

For vehicles owned by ministries, government institutions, embassies, consulates, international organizations, and technical cooperation agencies, the respective owners shall apply for tax exemption certificates or follow the applicable tax payment procedures and provide supporting documentation, including vehicle lists and relevant government financial or asset records.

9. For Newly Registered Vehicles

For vehicles registered for the first time in December:

- Tax payable for the current year: Where the import tax receipt was issued before December, but the vehicle's first registration certificate was issued in December, the vehicle owner shall pay the transportation tax for that year, subject to an additional tax exemption.
- Tax payable for the following year: Where both the first vehicle's first registration certificate and import tax receipt are issued in December of the same year, the vehicle owner shall pay the transportation tax for the following year.

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