



Cambodia: General Department of Taxation Launches Formal Notification Process for Tax Declaration Irregularities

Overview

On the basis of Article 7 of the Law on Taxation (Royal Kram No. NS/RK/0523/004, dated 16 May 2023), the General Department of Taxation (GDT) has introduced a formal notification procedure via **Notification 9124 dated 21 March 2025** for enterprises whose tax declarations or payments appear irregular. The move forms part of the GDT's broader push to strengthen voluntary compliance and enhance procedural transparency through a digitized, verifiable system.

Key Developments

Effective immediately, enterprises may receive a **Notification of Incorrect Tax Declaration and Payment** if discrepancies are identified by the Tax Administration. Notifications will be delivered either:

- in hard copy to the enterprise's physical address, or
- electronically via the GDT's information technology platform.

Each notification will include:

- A summary of detected irregularities, and
- A detailed table of the relevant transactions.

Required Actions

Recipients of the notification letter must respond within **30 working days** after receiving the notification letter t by choosing one of the following options:

1. Acceptance of Findings:

- Settle the tax amount and any additional tax (the monthly interest rate is exempted one (1)

time per one (1) calendar year) via a commercial bank (with MoU with MEF) or through the GDT's e-Payment System using the included barcode or QR Code.

- The system will automatically reconcile the amended transactions within the taxpayer's account.

1. **Dispute the Findings:**

- Submit a written explanation with supporting documentation to contest all or part of the identified discrepancies.
- Responses may be submitted in conjunction with a GDT document collection order or directly via the GDT e-Administration portal.

2. **Failure to Respond:**

- If no response is received within 30 working days, a **second notification** will be issued.
- If taxpayers accept the underpaid tax amount and additional tax, taxpayers must make the tax payment to the GDT within 30 working days after receiving the second notification letter. Please note that the monthly interest rate of 1.5% will not be exempted.

- Continued inaction may result in the outstanding tax being treated as a formal **tax debt**, triggering **tax audit or enforcement measures** as stipulated under applicable laws.

Verification and Fraud Prevention

Enterprises are urged to verify the authenticity of any official GDT correspondence using the **GDT Check & Track** program:

- All official notifications must feature a valid **QR Code and barcode number**.
- Verification can be completed by scanning the QR Code via the "Check Documents" function.

Implications for Taxpayers

This development reflects Cambodia's continuing shift toward **automated compliance and risk-based enforcement**. Enterprises are encouraged to proactively review their filings and maintain meticulous documentation to support declared tax positions. Prompt and accurate responses to GDT notifications can significantly reduce the risk of penalties or further scrutiny.

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