

Concept Note of the 1st National Workshop on “Taxation Law for Civil Society Organizations”

26th November 2019, at Tonle Bassac II Restaurant

I. Rationale:

The legal framework related to taxation law and the recent trend of enforcement related to the work of CSOs in Cambodia has posed some significant concerns for them, particularly the implications of the law on their capacity and affordability to comply with the new requirements provided in the law and related regulations, the requirement of the law to hold back liability on the payment of the owed withholding of the CSOs, for instance. The understanding and knowledge of civil society organizations of the tax obligation provided the Taxation Law 1997 is the main factor posting them worrisome about the compliance. Despite the law enacted in 1997, but since then the taxation law has not been the stringently enforced and perhaps the loopholes of compliance and/or enforcement of the law or other circumstances existed. The major problem of the CSOs to the taxation law compliance is the understanding of the taxation law and the ability as well as the affordability to comply with the law. The understanding of the tax authorities in the enforcement of the law towards CSOs is also another challenges. Since April 2018, the Ministry of Economy and Finance issued a Prakas on Instruction on Tax Obligation for NGOs/Association. Despite the Prakas is made to provide more clarity of provisions provided in the Taxation Law 1997, and in the beginning of the 2019, MoEF issued Prakas on the establishment of the Taxation Taskforce of the GDT and Associations/NGOs on tax issues as well the twice issuing of instructions on the Tax Incentives Associations/NGOs but the challenges remained existing for CSOs, the obligation to pay back the owed withholding taxes to the GDT, for instance, despite the GDT promises to deal case by case with the requests that maybe made by the such CSOs.

Currently, CCC, with the consent of the large numbers of CSOs, particularly its members, has been endorsed and agreed to play role as the Secretariat to facilitate CSOs representatives for this mandatory Taxation Taskforce. According to the MoEF’s Prakas, CCC is the Co-Chair of the Taxation Taskforce.

This is not the first time that CCC initiated to assist NGOs/associations through its events of taxation law and related regulations as well as other CSOs’ legal framework. CCC observed and understood that there still needs for enhancing the capacity and capability to comply the laws, more legal

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awareness, deepening of understanding on their tax obligation as well as the joint efforts amongst CSOs to make changes in the law and CSOs-taxes-related regulations. CCC understands their concerns and CCC is doing the job of solving the challenges with the taxation issues through cooperating and dialogue with the Royal Government of Cambodia, using the agreed platform of “NGOs/Association and GDT Taxation Working Group”.

To contribute and address the challenges and offering space of conversation with the high level tax authorities, CCC, for the purpose of mobilizing support in CSOs’ taxation issues, in cooperating with the General Taxation Department (GDT) of the Ministry of Economics and Finance and other civil society organizations who are members of the Taxation Taskforce (CSOs Taxation Working Group) will conduct the First National Workshop on “**Taxation Law for Civil Society Organizations**” which will be convened on a half day of **26th November 2019, at Tonle Basac II Restaurant, Phnom Penh.**

II. Objectives

- To promote more awareness and understanding of application of Taxation Law on the Associations and Non-Governmental Organizations and others (related to tax obligation for NGOs).
- To enable space for CSOs to raise issues related to the implications of Taxation Law and to solve/address some critical questions related to the application of the Taxation Law.
- To draw some actions forward to address any significant issues pending from this national workshop.

III. Expected Outcomes

- CSOs will be more aware of implications tax law to their daily organization’s operation
- CSO is capable to find some possible solutions to tackle and adaptable to the challenges of the implication of the tax law.
- CSOs are the same page of common challenges so that they are capable/willing to have the joint efforts for the variety of advocacy strategy in making some changes in the tax law.

IV. Target Participants

The national workshop is offered to a maximum of 350 participants to either members and non-members of CCC from **NGOs/Associations who are finance person, accountant or decision makers.**

***Note:

- There is only 1 (one) available seat per NGO for free of charge, in case more than 1 (one), the participation fee will be charged for 25\$/person (for CCC’s Non-Members).
- Charging Policy will be applied for CCC’s Members in one organization sends more than two people.

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- *The fee charge will be used as a contribution to support the workshop's logistic arrangement.*

V. Logistic Arrangement

- Lunch, refreshment and material will be provided
- Transportation will be provided to participant organization who come from provinces only, based on the CCC policy
- Per-diem and accommodation will be covered by participant's organization

CSOs participants are required to have prior registration before the event and express the interest in participation the event and issues/challenges regarding implementation of taxation law; particularly CSOs Participants from provinces.

VI. Drafted Agenda

Time	Topic	Facilitator
7:30-8:30	Registration of Participants	CCC team
8:30-8:40	National Anthem Objective of the National Dialogue Forum	CCC's Team
8:40-9:00	Welcome Remarks <ul style="list-style-type: none"> • Report on achievements of the Taskforce Working Group of Taxation (the Partnership between the GDT and CSOs' Representatives) • Report on Challenges of the Implication of Taxation Law and ways forward for problem solution 	Mr. Soeung Saroeun Executive Director of CCC, And Co-Chair of the Taxation Taskforce of GDT and Associations/NGOs
9:00-9:20	Opening Remark and Speech by of H.E Kong Vibol, Delegate and Director of the General Department of Taxation, Ministry of Economy and Finance	H.E. Kong Vibol/GDT's Representative (To be confirmed) Co-Chair of the Taxation Taskforce of GDT and Associations/NGOs
9:20-9:30	Group Photo	
9:30-9:50	Coffee Break	
9:50-10:20	Brief presentation on:	Representative of GDT

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- General compliance status by the NGOs/Associations to the Taxation Law
- Taxes that NGOs/Associations are binding to comply

10:20-10:40	Brief presentation Challenges and Issues related to application of Taxation law and its regulations.	Mr. Yoeurng Sotheara CAN Manager of CCC
10:40-12:00	Discussion Forum CSOs Practitioners' Experience on Taxation law implementation. (Q&A)	GDT's Representative (Team Experts)
12:00-12:15	Summary results of the workshop Closing remark.	A member of the CSOs' Taxation Working Group
12:15-1:30	Solidarity Lunch	All

*****Note:** CCC reserves the rights to change the agenda based on the availability of the speakers and time constraints.

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