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KINGDOM OF CAMBODIA
Nation Religion King

No. 88/ANK/BK
ANU-KRET
ON THE IMPLEMENTATION OF THE LAW ON INVESTMENT
OF THE KINGDOM OF CAMBODIA

The Royal Government of Cambodia

- Referring to the 1993 Constitution of the Kingdom of Cambodia;
- Referring to Reach Kret of September 24, 1993 on the Appointment of the First Prime Minister and the Second Prime Minister of the Royal Government of Cambodia;
- Referring to Reach Kret No. NS/RKT/1094/83 of October 24, 1994 on the Reorganization of the Composition of the Royal Government of Cambodia;
- Referring to Reach Kret No. NS/RKT/1094/90 of October 31, 1994 on the Reorganization of the Composition of the Royal Government of Cambodia;
- Referring to Reach Kret No. CS/RKT/0897/14 7 of August 7, 1997 on the Reorganization of the Composition of the Royal Government of Cambodia;
- Referring to Reach Kram No. 02/NS/RKM/94 of July 20, 1994 promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Referring to Reach Kram No. 03/NS/94 of August 5, 1994 promulgating the Law on Investment of the Kingdom of Cambodia;
- Referring to Anu-Kret No. 51/ANK/BK of June 26, 1995 on the Organization and Functioning of the Council for Development of Cambodia;
- In pursuant to the needs of the Council for Development of Cambodia and the decision of the plenary session of the Council of Ministers on December 4, 1997.

IT IS HEREBY DECIDED

Chapter 1
GENERAL PROVISIONS

Article 1: Definitions

Article 1.1

The following technical terms where used in this sub-decree shall have the meanings ascribed thereto in this Article:

“Applicant” means any person, natural or juridical, who meets the requirements set forth in Article 6.1(h) and who has submitted an investment application or has requested to establish an Investment Enterprise. An Applicant shall include any existing Investment Enterprises set forth in Articles 3.4 and 5.2;

“Application” means an application to receive privileges and incentives as stipulated in the Law on Investment of the Kingdom of Cambodia which was promulgated by Kram 03 NS 94 dated August 5, 1994 and shall at a minimum consist of those items set forth in Article 6.1;

“Investor” means any person, natural or juridical, who meets the requirements set forth in Article 6.1(h) and Article 9 who has already invested or proposes to invest in an Investment Enterprise;

“Investment Enterprise” means either a Cambodian Entity or a Foreign Entity approved by the Council for the Development of Cambodia under the Law on Investment of the Kingdom of Cambodia and this implementing Sub Decree;

“Cambodian Entity” means any legal entity incorporated and registered at the Ministry of Commerce under the laws of the Kingdom of Cambodia in which more than Fifty One (51%) percent of the equity capital are directly owned by natural persons or legal entities holding Cambodian citizenship;

“Foreign Entity” means any non Cambodian Entity and which is not incorporated under the laws of the Kingdom of Cambodia;

“Promotion Incentives” mean any special privileges and incentives granted by the Royal Government of Cambodia to an investor pursuant to criterias as set forth in the Law on Investment of the Kingdom of Cambodia and other regulations;

“Investment” means any investment project which has received any privileges and incentives granted by the Royal Government of Cambodia pursuant to investment laws and regulations;

“Schedules” mean the schedules of this Sub-Decree and which are an integral part of this Sub-Decree;

“Capital Goods” mean tangible assets with a useful life of more than one year;

“One-Stop Service” refers to the Cambodian Investment Board which provides a mechanism to review, discuss and advise on all the matters pertaining to private sector investments to the Council for the Development of Cambodia.

Article 2: Application and Objective of the Sub-Decree

2.1 Application: This Sub-Decree applies to all investments, investment activities and Investment Enterprises approved and promoted by the Council for the Development of Cambodia.

2.2 Purpose: This Sub-Decree supplements and governs the application and implementation of the Law on Investment and are intended to encourage and regulate investments in the Kingdom of Cambodia by both Cambodian and foreign Investors.

Article 3: Sectors for Investment

3.1 Sectors Opened for Investment: A list of suggested areas for investment and those areas to which investment incentives will not be provided is included in the First Schedule and may be amended from time to time.

3.2 Restriction on Certain Sectors: The restrictions on investment in certain sectors for reasons of national security, social safety, or economic necessity shall be determined by sub-decree.

3.3 Sectors Prohibited for Investments: All investment activities whose operations are in contradiction with existing laws currently in force shall be prohibited.

3.4 Existing Investment Enterprise: For any existing Investment Enterprises whose activities became subject to certain restrictions as set forth in the above mentioned Article 3.2, the Royal Government shall establish a commission to assess the extent of the loss incurred as the result of the imposition of such restrictions. The composition of the commission shall be comprised of representatives of the Royal Government and investors concerned. The fair value of the compensation shall be determined by two independent appraisers. Each party shall appoint an appraiser and the fair price shall be the average of the prices determined by such appraisers. Where the difference of the amounts determined by the appraisers exceeds 15% of the greater amount, a third independent appraiser shall be appointed by the two independent appraisers to determine the fair price as between the two assessed prices. The decision of the commission shall be binding on the Investor and not subject to review.

Article 4: Eligible Investors

4.1 Foreign Investment: The Royal Government welcomes investment in all economic sectors from foreign nationals save for where particular activities are specifically restricted by laws, regulations, notifications or sub-decrees.

4.2 Use of Nominees: No individual or legal entity controlled by Cambodian citizens shall act for or represent, either directly or indirectly, a foreign controlled entity for the purposes of avoiding the effects of the provisions of this Sub-Decree and enabling any foreign controlled entity or foreign national to circumvent or avoid the effects of any restriction or prohibition on the activities of foreign controlled entities or foreign persons.

Chapter 2

INVESTMENT APPLICATION AND APPROVAL

Article 5: Investment Applications

5.1 Prior Approval from the Council: In accordance with Article 3 of the Law on Investment and Article 2 of this Sub-Decree, all investors wishing to obtain privileges and incentives for their investment shall be required to apply for prior approval of the Council.

5.2 Existing Investment Enterprises: Any investment enterprise which has been established prior to the entry into force of this Sub-Decree, regardless of whether or not it has already commenced commercial operations in the Kingdom and which wishes to obtain the investment incentives granted pursuant to this Sub-Decree, must file an application with the Council. This filing is made only for the purpose of applying for investment incentives.

5.3. Application Submission: Duly completed Applications shall be signed and submitted by the Applicant or by a representative of the Applicant authorized pursuant to a duly notarized power of attorney executed in favor of the representative and submitted to the Council for review and consideration. A certified copy of any power of attorney shall be produced at the time of submission of the Application.

Article 6: Requirements for Application

6.1 Application Documents: A completed Application shall comprise one set of the following documents:

- (a) a completed Application, in the form prescribed by the Council and signed by a duly authorized representative of the Applicant whose power of attorney shall be attached;
- (b) a letter stating the intention of the Applicant to invest in the Kingdom with a brief summary of the investors, the investment project, their objectives and any requests made to the Council regarding the investment project;
- (c) the constituent documents of the proposed Investment Enterprise such as the Memorandum of Association and Articles of Association in accordance with existing laws of the Kingdom of Cambodia;
- (d) a detailed study of the economic and technical feasibility of the Investment Enterprise including an outline of the manufacturing flow process;
- (e) such other information as the Council may from time to time require regarding the proposed investment.
- (h) details of the qualifications of the Applicant including:
 - (i) technical capacity;
 - (ii) marketing capacity;
 - (iii) human resources and managerial capacity; and
 - (iv) financial capacity.

6.2 Application Fee: After the Application for investment has been duly complied with by the Investor pursuant to the above mentioned Article 6.1, the Council shall issue a receipt within 24 hours to

acknowledge payment of the Application fee. Investor shall pay the Application fee according to the following schedules:

- A. For investment project less or equal to US\$ 1,000,000:
 - One Hundred (US\$ 100) US Dollars at the time of application
 - Five Hundreds (US\$ 500) US Dollars upon investment approval.
- B. For investment project exceeding US\$ 1,000,000:
 - Two Hundred (US\$ 200) US Dollars at the time of application;
 - One Thousand (US\$ 1,000) US Dollars upon investment approval.

These fees shall be considered as state revenues.

6.3 Feasibility Study: The feasibility study shall address the following main points:

- (a) proposed market for the products of the Investment Enterprise;
- (b) perceived demand, pricing techniques and competition for the products of the Investment Enterprise;
- (c) proposed techniques for manufacturing and production including the use of domestic or imported raw materials;
- (d) proposed import and export ratios;
- (e) proposed employment ratios for Cambodian and foreign nationals;
- (f) financial and technical analysis of the project including the cost of production and proposed retail pricing;
- (g) proposed earnings in local and foreign currency and ability to satisfy foreign exchange needs;
- (h) an environmental impact study including detailed plans for the treatment and disposal of all waste; and
- (i) proposed human resources development plan.

6.4 Request for Additional Information: The Council may at any time before approval of an Investment Enterprise request additional information from any of the Investors of the proposed Investment Enterprise within Fifteen (15) business days. Such information shall be provided to the Council within Fifteen (15) business days of the Council's request.

6.5 Completed Application: An Application shall be regarded as complete when all required documents have been submitted and all requested information has been provided to the Council. Notification of any change in the name or address or both must be submitted to the Council with Ten (10) business days of such a change. Failure to make such notification will, without prejudice to any other action taken by the council, be grounds for an automatic rejection of the application.

Article 7: Complete or Partial Approval or Revocation by the Council

7.1 Approval Period:

a. The Council shall notify its decision to approve or reject the Application within Forty Five (45) business days from the date of receipt by the Council of a complete Application as per the Flow Chart of the Investment project attached in the schedule.

b. The Investment Enterprise shall maintain a deposit in the account of the Council in the National Bank of Cambodia according to the following terms:

- 2% of the total investment fund which is less than or equal to US\$ 1,000,000;
- 1.9% of the total investment fund which exceeds US\$ 1,000,000 but is less than or equal to US\$ 10,000,000;
- 1.8% of the total Investment fund which exceeds US\$ 10,000,000 but is less than or equal to US\$ 20,000,000;

- 1.7% of the total investment fund which exceeds US\$ 20,000,000 but is less than or equal to US\$ 30,000,000;
- 1.6% of the total investment fund which exceeds US \$30,00,000 but is less than or equal to US\$ 40,000,000;
- 1.5% of the total investment fund which exceeds US\$ 40,000,000.

This deposit shall be returned back to the Investor upon 30% implementation of the Investment Enterprise.

7.2 Amendment or Modification of Application: The Council may require Applicants to amend or modify any Application, and any document constituting a part thereof, and to resubmit the Application to the Council following such amendment or modification within Fifteen (15) business days. The Council will not consider applications which fail to meet the required amendments or modifications.

7.3 Approval or Rejection: Approval of an Application shall be notified in writing by the Council by the issue of an Investment License to the Applicant. Rejection of an Application shall be notified in writing by the Council with justification of the reason for such rejection.

7.4. Revocation of Privileges and Incentives and Forfeiture of Deposit: The Council reserves the right to revoke partially or wholly privileges and incentives if, among other things, one or more of the following conditions are not met:

- the project is not implemented in accordance with the schedule stated in the Application and in no case shall commencement occur more than Six (6) months after the issue of the investment license;
- the paid-up capital requirement of 25% as stated in the Investment Application or an equivalent sum of capital assets is not paid within Thirty (30) days from the day of approval;
- the total authorized capital has not been paid up within Three (3) years after the date of incorporation of the Investment Enterprise;
- the deposit fund as stipulated in Article 7.1(b) shall automatically revert to state properties if the Investment Enterprise has not commenced within Six (6) months after the issue of the investment license;
- the Investment Enterprise fails to notify the Council within Ten (10) business days of any change in the name or address;
- the Investment Enterprise fails to request permission from the Council of its change of investment activities;
- the Investment Enterprise has merged or transferred ownership; or
- there is a request for revocation by a competent government institution for serious violations of existing laws.

7.5 Notice of Revocation or Cancellation: The Council shall notify the Applicant in writing of its decision to revoke or cancel partially or wholly privileges and incentives.

7.6 Procedures for Revocation of Privileges and Incentives: If the Applicant fails to respond within Thirty (30) days to the Council after receiving the Revocation or Cancellation Notification of privileges and incentives, the Council shall proceed to do the followings:

- Send another reminder notice (15 days)
- Send a warning letter (15 days)
- Suspend the privileges and incentives for Sixty (60) days
- Revoke definitively the privileges and incentives.

7.7 Appeals: The Investment Enterprise can file an appeal to the Council within Twenty Five (25) business days after receipt of the notification to revoke or cancel partially or wholly the privileges and incentives.

Chapter 3

TRANSFER OF SHARES

Article 8: Restrictions on Transfers

8.1 Transfer Details: Each Application for transfer of shares shall clearly detail the identities and nationalities of each party involved in the Investment Enterprise. Where an Applicant is not a natural person, the Application shall clearly identify the ownership structure of such Applicant with sufficient detail to enable the Council to identify the shareholders or other parties involved. The Application shall indicate, among other things, the relative ownership interests of each party in the Investment Enterprise.

8.2 Transfer of Shares: Each Investor has the right to transfer their shares in the Investment Enterprise to other Investors in that Investment Enterprise. If the other Investors do not wish to purchase these shares, the transferring Investor shall have the right to transfer the shares to a third party. The transferring Investor shall obtain prior written approval from the Council at least Thirty (30) days prior to the proposed transfer.

8.3 Prohibition on Transfer of Shares: Investment Enterprises which are Foreign Entities shall not, by any direct or indirect means whatsoever, own or hold any ownership interest in land. Investors in a Cambodian Entity which legally owns land in the Kingdom shall be prohibited from transferring their shares in the Cambodian Entity if the effect of the transfer would cause the Investment Enterprise to be a Foreign Entity. A Cambodian national or a Cambodian Entity which legally owns land in the Kingdom shall be prohibited from registering any transfer of shares which would cause the Investment Enterprise to become a Foreign Controlled Entity.

Chapter 4

Part I

FORMS OF INVESTMENT

Article 9: Forms of Investment Permitted

The legal forms of investment permitted shall include the followings:

- Wholly owned domestic capital (100%)
- Wholly owned foreign capital (100%)
- Joint Ventures
- Build-Operate-Transfer (B.O.T)
- Business Cooperation Contract (B.C.C)
- Other forms of investment as authorized by law.

Part II

JOINT VENTURES

Article 10: Formation of Joint Venture

The proposed Investment Enterprise may be in the form of an incorporated joint venture. A joint venture may be formed between Investors of any nationality and may include a joint venture with the Government. Irrespective of the nationality of the shareholders of a joint venture, there shall be no limit on the permitted share holding proportions of each shareholder unless the joint venture owns or intends to own land, or holds or intends to hold an interest in land in the Kingdom, in which case the foreign shareholding in the joint venture shall not exceed Forty Nine (49%) percent.

Article 11: Contributions of Joint Venture

11.1 Contributions in Kind: The capital value of any asset contributed to the joint venture shall be calculated on the basis of the market value of the asset. Where the Council in its absolute discretion determines that the value of the asset to be contributed by any party is more than the assessed market value, the Council has the right to use the assessed market value as the value of the contribution for the purpose of its assessment of the Application.

11.2 Property: Any plant, machinery or equipment that an Investor wishes to contribute to the joint venture or which the joint venture proposes to purchase shall be in good condition and shall comply with recognized safety standards applicable to that type of plant, machinery or equipment. The investor shall be fully responsible for compliance with those safety standards.

11.3 Land: A Cambodian Investor may contribute land to the capital of a joint venture. The value of the land for the purpose of determining the capital contribution to the joint venture by the Cambodian Investor shall be agreed by the parties to the joint venture.

Part III OTHER FORMS OF INVESTMENT ENTERPRISE

Article 12: Forms of Agreement

A. Business Cooperation Contract (BCC): This is an agreement between the investor in Cambodia and a State entity in Cambodia for the purpose of undertaking activities of production and business in Cambodia and to share between themselves the profits resulting from their activities without creating in itself a separate legal entity. Trade or barter agreements are expressly excluded from the scope of the above-mentioned business cooperation contracts.

B. Built-Operate-Transfer (BOT): This form of investment shall be prescribed in detail in the Sub-Decree on Build Operate Transfer (BOT).

Chapter 5 FOREIGN CURRENCY

Article 13: Bank Accounts

13.1 Opening Bank Account: On receipt of an investment license, an Investment Enterprise must open a bank account in the Kingdom at a bank recognized by the National Bank of Cambodia.

13.2 Payments: An Investor must make all payments in relation to the Investment Enterprise through the bank account opened in accordance with Article 13.

Article 14. Loans

Debt/Equity Ratio: An Investment Enterprise shall not borrow an amount or amounts which will cumulatively exceed an amount equal to three times the capital of the Investment Enterprise except for priority projects as determined by the Royal Government.

Article 15. Repatriation of Foreign Earnings

The repatriation of foreign earnings shall be done according to the Law on Foreign Exchange as promulgated by Kram No. Chor Sar/Ro Kar Mo/0897/03 dated August 22, 1997 as well as other regulations issued by the National Bank of Cambodia. These transfers shall include but are not limited to: Foreign Controlled Entities which may use income denominated in foreign currency and deposited at the bank pursuant to Article 13 for the purposes of

- (a) Payments for imported goods and services and repayment of loans including interests and principals made by foreign banks or institutions;
- (b) Royalties and management fees.
- (c) Profits after discharge of obligations due and payment of all relevant taxes and royalties.
- (d) Remittance of capital of the Investment Enterprise out of the Kingdom pursuant to the investment plan of the Investment Enterprise; and
- (e) Other savings after payment of salaries.

Chapter 6 REAL PROPERTY

Article 16: Ownership

16.1 Ownership: Ownership of land, for the purpose of investment by a Cambodian national or a Cambodian legal entity, shall comply with the Land Law of the Kingdom of Cambodia as promulgated by Kret No. 100 Kr. Dated October 13, 1992.

16.2 Registration of Ownership: The investor shall comply with all the formalities of land ownership registration at the Land Title Department of the locality.

16.3 Ownership Restriction: In accordance with the Constitution of the Kingdom, foreign nationals and foreign entities shall not own or hold an interest in land in the Kingdom.

Article 17: Use of the Land

17.1 Cambodian Entities: Aside from ownership, Cambodian investors can benefit from other existing forms of land use such as concession, lease, loan, transfer, grant, etc.

17.2 Foreign Entities: Use of land shall be permitted to investors, including long-term leases of up to a period of 70 years, renewable upon request. Such use may include the right of ownership of real and personal property situated on the land as may be permitted by law.

17.3 Lease of the Land: Foreign nationals and foreign entities shall be allowed to lease land in the Kingdom of Cambodia provided their lease agreements are duly notarized by the competent authority, specify the terms and conditions, the agreed fair market value of the lease payment and the specific lease period.

Nationals and legal entities which have entered into a land lease agreement from the State shall have the right to sublease to a third party, whether a natural or juridical entity, provided there is prior consent from the competent government authority and after the expiry of three (3) years period counting from the date the initial lease agreement was signed. The three (3) year period shall not apply for special cases.

Chapter 7 TAXATION

Article 18: General Principles

18.1 Liability to Taxes: Investment Enterprises shall be liable to and shall comply with the provisions of the Financial Law and the Law on Taxation. The tax rate for the profit tax for the exploration, exploitation, and primary processing of natural resources such as timber, oil, natural gas, ore, gold, and precious stones, shall be determined according to paragraph 2 of article 20 of the Law on Taxation. Investment Enterprises may be granted tax concessions as specified in the Third Schedule.

18.2 Limitations: The privilege of a full or partial exemption from taxes and customs duties granted by the Council will apply to the payment of any liability for the Tax on Profits and the payment of customs duties and certain taxes imposed on imports as provided in this Sub-Decree. These exemptions do not include the followings:

- (a) the liability of the employees of an investment enterprise or the obligation and liability of the investment enterprise to the provisions of the Tax on Salary;
- (b) liability for the tax on turnover, the tax on specific merchandise and services other than those paid at the time of import, or any other taxes, other than the tax on profit and customs duties, as specified in the respective laws of the Kingdom of Cambodia;

The investment enterprise can not use the 9% income tax rate for the tax on profit or the provision for the five (5) year carry forward of losses originating prior to 1 January 1997 unless the allowance for such a rate or carry forward is stated in a document of approval issued by the Council.

18.3 Starting Year and Rules for the 5 Year Loss Carry forward: The deduction of a loss resulting from the use of the 5 year loss carry forward provision of article 14(2) of the Law on Investment shall be determined according to the rules of article 17 of the Law on Taxation.

Article 19: Tax on Profit

19.1 Starting Year for Exemption from the Tax on Profits: The exemption from the payment of the tax on profit as provided in article 14(2) of the Law on Investment shall be from the year in which the investment enterprise first derives a taxable profit without regard to the carry forward provisions of the tax on profits or the Law on Investment. All other provisions of the tax on profits will be used for the determination of taxable profit.

19.2 Determination of the Tax Exemption Period: The conditions of the matrix of coefficients must be met by the end of the second year of commercial operations of the investment enterprise and must be maintained throughout the remaining period of the tax exemption. The Council may reduce or increase the length of the exemption from the Tax on Profits not to exceed Eight (8) years if conditions used to determine the project coefficient change.

19.3 Prepayment of the Tax on Profit for Investment Enterprises: The prepayment of the tax on profit as stated in article 31 of the Law Amending the Finance Act of 1995 on turnover earned prior to 1 January 1997 and article 28 of the Law on Taxation on turnover earned after 31 December 1996 applies to all investment enterprises granted the investment incentive of a 9% rate for the tax on profit as provided in article 14(l) of the Law on Investment. The prepayment of the tax on profit does not apply to an investment enterprise granted an exemption from the tax on profit as provided in article 14(2) of the Law on Investment.

19.4 Reinvestment of Profit: As provided in article 14(2) of the Law on Investment, where an investment enterprise is liable to the tax on profit for a tax year, the amount of positive taxable profit for that year may be reduced by the amount invested in plant and equipment used to increase the productive capacity of the investment enterprise in that year only. The amount by which the taxable profit may be reduced cannot exceed the amount of taxable profit before the reduction. For depreciation, the depreciable basis of the asset so acquired is the value of the asset minus the amount by which the taxable profit was reduced.

19.5 Distributions of Profit: A profit distribution is any distribution defined in paragraph 8 of article 3 of the Law on Taxation. Such a distribution shall not be taxable under article 26 of the Law on Taxation but shall be taxable under the conditions provided in article 23 of the same law, which is an advanced payment of the tax on profit.

Article 20: Customs Duties and Taxes

20.1 Customs Duty and Taxes Exemption: The Council can grant customs duties and taxes exemption for materials or goods to be imported according to the type of investment and the types of materials or goods as specified in the Annex 2.

20.2 Diversion or Sale of Capital Goods, Materials and Other Goods Exempt from Customs Duty and Taxes: Any material or goods other than capital goods imported under customs duty and tax exemption which is not used as part of the project and is later sold or disposed of in any way, will be subject to the immediate payment of customs duty, taxes and associated customs penalties. Any new capital goods or any capital goods used for less than five (5) years imported under a customs duty, tax exemption which is later sold or disposed of in any way, will be subject to the immediate payment of customs duty, taxes and associated customs penalties except for those goods which have been properly depreciated according to

the Law on Taxation. For capital goods which have been used for 5 continuous years or more since importation and are later sold or disposed of in any way, customs duty will be applied to the remaining undepreciated value of the capital good using the straight line convention.

20.3 Liquidation or Reorganization of an Investment Enterprise: If during the first five years of production, the investment enterprise ceases to operate or makes any distribution or transfer of assets resulting from the complete liquidation or reorganization of an investment enterprise, the exemption from taxes and customs duties in this chapter are cancelled and the investment enterprise must pay all customs duties and taxes exempted. If after the first five years of production, the investment enterprise ceases to operate or makes any distribution or transfer of assets resulting from the complete liquidation or reorganization of the investment enterprise, such act will be considered as a diversion of assets under article 20.2 of the Sub-Decree.

Article 21: Effective Date of an Exemption from Tax or Duties

The effective date of an exemption from the Tax on Profits or from customs duties will be the date of approval by the Council, but not sooner than the date on which the investment enterprise has been registered with the Tax Department and the Customs Department under the procedures for registration established by these departments and assigned a tax identification number from the Tax Department. The Council must supply all the appropriate documents to the Tax Department and the Customs Department, which shall include:

- (a) a copy of all information supplied by the investor(s) during the application process and all agreements entered into between the investor(s) and the Council; and
- (b) the approval document of the Council including all information relevant to the financial flows of the investment, tax concessions, and a schedule of all goods that have been granted customs duty exemptions.

The Tax Department, within one week after receipt of a properly completed application for registration and other information required by this article, will provide the Council with a tax identification number for the investment enterprise. It is the responsibility of the Council to supply the tax identification number to the investment enterprise and explain the requirements for the use of this number. The provisions of this article also apply to existing investment enterprises.

Article 22: Minimum Tax of Investment Enterprises

The minimum tax, as stated in article 32 of the Law Amending the Finance Act of 1995 on turnover earned prior to 1 January 1997 and as stated in article 24 of the Law on Taxation on turnover earned after 31 December 1996, applies to all investment enterprises whether they have been granted the incentive of a 9% rate for the tax on profit as provided in article 14(l) of the Law on Investment, or an exemption from the tax on profit as provided in article 14(2) of the Law on Investment.

Article 23: Obligation of Investment Enterprises

23.1 Tax Declaration: All investment enterprises approved by the Council under the Law on Investment, whether or not they have been granted and exemption for the tax on profit as stated in article 14(2) of the Law on Investment, are required to submit to the Tax Department monthly and annual tax declarations for the tax on profit, the tax on salary, the tax on turnover, the tax on value added, the specific tax on certain merchandise and services, and other taxes beginning from the time the enterprise was granted such approval.

An existing investment enterprise has ninety (90) days after the effective date of this Sub-Decree to be in compliance with the provisions of th