

TAXES IN THE FRENCH PROTECTORATE OF CAMBODIA

FROM 1913 - 1945



Bureaux de la Résidence Supérieure, now the Ministry of Economy and Finance

Casey Barnett

©CamEd Business School, 2023, Phnom Penh, Cambodia

All parties, researchers and students are free to copy from this publication as long as credit and citation is provided to this publication. No copyright is claimed for the images reproduced in this publication.

ABSTRACT

In recent years, tax in Cambodia has been subject to significant reforms and has been rapidly evolving. In 2023, a new comprehensive Law on Taxation was promulgated. Tax collections were only 10% of GDP in 2009, rising to 18% of GDP by 2020. These recent developments in tax and tax administration have drawn attention to the role of tax in the economic development of Cambodia.

A historical perspective can be helpful in the study of economic development. However, there are no dispassionate studies of tax in the French Protectorate of Cambodia. Most studies focus either on French Indochina as a whole or overseas French colonies as a whole. Therefore, this study has the modest aim of identifying and describing taxes collected by the Cambodian government during the period of the French Protectorate of Cambodia. For this study, the years 1913-1945 were chosen due to the availability of budget data in the *Annuaire Statistique de l'Indochine* produced by the Indochina government. Documents available in the National Archives of Cambodia supported an understanding of and interpretation of the budget data.

This study identifies six main sources of income for the French Protectorate of Cambodia: personal tax, prestation tax, property tax, licensing taxes, direct income, and grants from the central Indochina government budget. The main source of government income were direct taxes in the form of personal tax, prestation tax and property tax. Over the period of 1913-1945 we see the foundations of modern taxes put in place. Towards the latter years of the French Protectorate of Cambodia, prestation tax was eliminated and salary tax and income tax were introduced.



















*Researchers and interested parties are invited to make use of the Cambodian budget income for the years 1913-1945 which have been compiled by the author from the *Annuaire Statistique de l'Indochine* series. The file of this budget data in Excel/Google Sheet format may be downloaded by scanning the QR code below.*



INTRODUCTION

Over the past decade, the Cambodian tax administration has made enormous strides in the scope and scale of tax collection. Cambodian tax collections as a percent of GDP has increased from only 10% of GDP in 2009 to 18% of GDP in 2020. The improvement in tax collection has been due to reforms including digitalization of tax filing, merit based incentives for tax officials, improved human resource management, and public education and awareness campaigns (Kong Vibol, 2021).

Figure 1: ASEAN Tax Revenues as a Percent of GDP

2009			2020		
		Tax and Customs Revenue Percent of GDP			
Vietnam		18%	23%		Vietnam
Malaysia		14%	18%		Cambodia
Thailand		14%	15%		Thailand
Singapore		13%	14%		Philippines
Philippines		12%	13%		Singapore
Laos		12%	11%		Malaysia
Indonesia		11%	9%		Laos
Cambodia		10%	8%		Indonesia

Author's calculation using the following data sources:

2009 Tax as a Percent of GDP (excluding Indonesia, Myanmar, Brunei): IMF, <https://data.imf.org/>

2009 Tax as a Percent of GDP for Indonesia: <https://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS>

2020 Tax as a Percent of GDP for Indonesia, Cambodia, Philippines, Singapore, Malaysia, Thailand: <https://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS>

2020 Tax as a Percent of GDP for Vietnam and Laos: <https://www.oecd.org/tax/tax-policy/revenue-statistics-asia-and-pacific-vietnam.pdf>

Myanmar and Brunei are excluded due to lack of data on government tax revenue collections

Tax regulation in Cambodia has evolved significantly over the past 30 years. The current Kingdom of Cambodia was established with elections in 1993, replacing the socialist People's Republic of Kampuchea (1979-1989) and an interim State of Cambodia (1989-1992). After the 1993 election, the first major law revising taxation was the Law on Taxation of 1997. The 1997 law was periodically amended through amending articles inserted into an annual Law on Finance Management. On May 16, 2023, a new *Law on Taxation* was promulgated, with the aim to reflect the numerous amendments and to bring various related regulations into a single comprehensive law.

With increased attention to tax and tax reform by policymakers and the public, it can be helpful to have a summary of the history of taxation in Cambodia. First, we can understand how past taxes and tax administration has influenced the present. Second, a history of tax may assist in understanding the relationship between taxation and economic development in Cambodia. Third, awareness of Cambodia's tax history may lead to greater appreciation of the recent achievements of the Cambodian government in its own tax reform efforts.

Unfortunately, little research has been conducted on the history of taxation in Cambodia. Most studies addressing tax issues focus on French Colonies in general or French Indochina as a whole, rather than Cambodia. An example is the discussion of tax in Pierre Brocheux and Daniel Hemery's *Indochina: An Ambiguous Colonization 1858-1954*.

Many studies tend to emphasize perceived exploitation or inequities (e.g. Denis, Cogneau, et al, 2019; Jerez, M., 2020). Marxist authors may have the aim of establishing a regime of exploitation that they believe justifies the subsequent Marxist revolution of 1968-1975 and sympathizes with the Marxist-Leninist socialist republic of the 1980s. An example is Marxist scholar Margaret Slocomb's *An Economic History of Cambodia in the Twentieth Century* in which she selectively and superficially summarizes "The [Cambodian] villagers regarded the French the way they had regarded the Vietnamese, as oppressive tax-gatherers and threats to their culture" (Slocomb, 2010, p 43). Other Marxist historians such as John Tully repeat a similar hyperbolic refrain "... the peasants paid for it in blood and sweat, both directly and via taxes" (Tully, p. 297).

Some studies addressing or touching on the topic tax were not with an interest in tax per se, but the role of tax in political uprisings. For example, Milton Osborne's 1978 study of the 1916 uprising discusses the role of prestation (corvee) in the peasant protests in that year.

Therefore, this study intends to be a dispassionate approach to the subject of tax, with the aim to simply identify and summarize direct taxes collected in the French Protectorate of Cambodia. For this study, a broad range of references were consulted, but ultimately the key sources were the *Annuaire Statistique de L'Indochine* from 1913-1948 published by the Central Government of Indochina and the records of the office of the Resident Superior of Cambodia held at the National Archives of Cambodia.

SETTING TAXES IN CAMBODIA

In Indochina, certain taxes were controlled at a central level, such as customs duties, with other taxes managed at the level of each protectorate territory. The taxes in the French Protectorate of Cambodia were intended to independently support the Cambodian budget expenditure, an aim made explicit in the 1893 Finance Law of France (Gardere, p 165).

Taxes applied in Cambodia to non-Cambodians were approved by the Resident Superior in the Protectorate Council after consultation with the Council of French Economic and Financial Interests. Taxes applied in Cambodia to Cambodians were approved by Royal Decree or other royal approval which also had to be approved by the Governor General in the Council of Government (*Annuaire Statistique de L'Indochine* 1923-1929, p 295). Revision of taxes in Cambodia was lead by the Resident Superior whose meeting notes show that he solicited and considered input and recommendations from the provincial residents (Residence Superieure du Cambodge, April 17, 1917).

The colonial administration was sensitive to public opinion about tax collection and changes in tax. Responding to news reports about the possibility of increased direct taxes in 1926, the Governor General reassured the Resident Superior in Cambodia that the press reports were pointless and misleading (Resident Superior, Situation Financiare, 1926).

Collection of direct taxes in Cambodia was carried out by the Cambodian authorities for tax paid by Cambodians and Asians. Collection of taxes from Europeans in Cambodia was carried out directly by the French administration. As expressed by the Resident of Kompong Cham, collection of taxes by the Cambodian administration was necessary because there was insufficient manpower on the part of the French administration. Also, as the Resident of Kompong Cham noted, collection of taxes by the Cambodian authorities helped to give the local authorities respect and authority (Resident of Kompong Cham, 1917).

CAMBODIAN BUDGET INCOME AND TAXES

The scope and scale of tax collection during the French Protectorate of Cambodia grew consistently and was not disrupted by global events such as World War I, World War II, or even the rise and fall of Vichy France. Cambodian budget income increased steadily from a total of \$12 million piastre in 1913 to a high of \$22 million piastre in 1945.

As summarized in Table 1 below, the French Protectorate of Cambodia budget had six main sources of income:

1. Personal tax
2. Prestation avoidance fees
3. Property tax
4. Licensing taxes
5. Direct income
6. Grants from the central Indochina government budget

Of these income sources, the first three were considered direct taxes. Direct taxes were the main source of income for the Cambodian government, accounting for 67% - 75% of total budget income each year. The Cambodian budget was largely self-sufficient, with grants from the central government of Indochina representing only 2-6% of the total budget income in any given year.

Table 1: Cambodian budget revenue 1913 - 1943, '000 Indochina Piastre

The author has aggregated revenue items of a similar nature; numbering and lettering are the author's own. Source: *Annuaire Statistique de l'Indochine* for the relevant years, published by the Direction Des Affaires Economiques et Administratives Bureau de la Statistique Generale, Gouvernement General de l'Indochine.

	1913	1918	1923	1928	1933	1938	1943
1. Personal tax							
Personal tax for Europeans	0	0	9	11	12	8	24
Personal tax for Cambodians and assimilated	713	857	1,142	1,296	1,242	3,449	3,417
Personal tax for Annamese	53	80	98	125	115	292	378
Personal tax of foreign Asians and miscellaneous	254	345	440	827	628	774	1,258
Additional miscellaneous personal tax	35	52	73	153	0	0	0
Tax on salaries, wages and personal and contracts	0	0	0	0	8	61	112
Income tax	0	0	0	0	0	0	2,169
General income tax	0	0	0	0	0	0	229
Total Personal Tax (A)	1,055	1,334	1,762	2,412	2,005	4,584	7,587
2. Prestation (B)	1,089	1,379	2,099	2,440	1,091	8	0
3. Property tax							
Tax on rural property owned by europeans	0	0	0	3	5	5	92
Paddy tax and paddy property tax in Battambang	1,112	857	910	1,739	1,058	1,395	0
Tax on farmland	239	249	375	483	529	937	2,671
Tax on pepper plants	94	96	45	407	68	61	155
Total Property Tax (C)	1,445	1,202	1,330	2,632	1,660	2,398	2,918
4. Licensing Taxes							
Patent tax - Business license tax	74	123	234	584	421	392	762
Taxes on vehicles and riverboats	18	53	71	123	79	0	83
Tax on verification of weights and measures	0	0	4	11	11	11	13
Miscellaneous taxes	0	0	0	0	13	90	72
Total Licensing Taxes (D)	92	176	309	718	524	493	930
Total Direct Taxes = A + B + C + D	3,681	4,091	5,500	8,202	5,280	7,483	11,435
5. Direct Income							
Income from forest, mining, rental and concessions	826	924	1,060	2,083	872	1,395	2,919
Administrative and legal fines	96	72	79	111	91	31	60
Interest from reserve funds	32	19	12	7	0	0	0
Other Budget Revenue	209	202	140	523	472	465	871
Total Direct Income	1,163	1,217	1,291	2,724	1,435	1,891	3,850
6. Grants from Indochina Budget and Other Budgets	140	137	783	1,197	452	1,815	293
Total Budget Income	4,984	5,445	7,574	12,123	7,167	11,189	15,578

Personal Tax (Poll Tax, Capitation)

An annual tax per person was collected and the amount of the tax was based on the ethnicity of the person. This tax replicated the capitation tax first imposed in France 1695 (Bloch, p. 268). In Cambodia, the personal tax was due from any Cambodian age 21-60 years old with exemptions such as for royalty, soldiers and the disabled (Resident Superior, Draft Royal Ordinance). Management of the personal tax was carried out by registration of residents by the local authorities and issuance of registration cards.

In a 1920 report by the Resident Superior of Cambodia to the Governor General of Indochina, it was noted that the poll tax for Cambodians was \$0.80 piastre per year and for non-Cambodians was \$2.50 piastre per year (Resident Superior of Cambodia, 1919, p 1). The commune chiefs were authorized to collect the personal tax and were awarded \$0.10 piastre per taxpayer (Resident Superior, Draft Royal Ordinance).

In Cambodia, the amount of poll tax paid per person was set according to ethnicity. The main categories of poll tax were male European, Cambodian, Annamese (Vietnamese), and “foreign Asian” (Annuaire Statistique de L’Indochine 1913-1922, p 207). By 1937 the personal tax for non-Cambodian males had reached \$10 piastre per year.



Figure 2: Indochina Piastre

This image shows the Indochina piastre de commerce in circulation from 1885 to 1937. The piastre replaced the Spanish colonial real and the Mexican real which had been widely used until a 1907 Indochina decree to stop using the real as legal tender.

Figure 3: Cambodia Budget Revenue

This is an extract from the *Annuaire Statistique de l'Indochine 1913-1922* prepared by the Direction Des Affaires Economiques Service de La Statistique Generale

CHAPITRE XIII. — FINANCES PUBLIQUES								
315								
Tableau XII. — CAMBODGE : Recettes effectuées en 1913 et de 1923 à 1929.								
NATURE DES RECETTES	1913	1923	1924	1925	1926	1927	1928	1929
I. — RECETTES PERÇUES DIRECTEMENT PAR LE BUDGET LOCAL								
1 ^o) Contributions directes et taxes assimilées :								
Impôt sur le revenu européen	»	9	9	10	10	11	11	12
Impôt personnel des Cambodgiens et Malais	713	1.142	1.185	1.226	1.246	1.273	1.296	1.331
Impôt personnel des Annamites	53	98	104	110	113	120	125	138
Centièmes additionnels sur l'impôt personnel	35	73	70	136	139	150	153	157
Droit de capitation des Asiatiques étrangers	254	440	591	619	629	764	827	858
Préstations	1.089	2.099	2.169	2.303	2.339	2.395	2.440	2.500
Impôt foncier des rizières des Européens					2	1	3	2
Impôt sur les paddys et impôt foncier des rizières de Battambang (Cambodgiens, Annamites et Asiatiques assimilés)	1.112	910	1.083	1.814	1.643	1.995	1.739	1.295
Impôt sur les terrains de culture	239	375	396	444	459	473	483	490
Impôt sur les poivres	94	45	55	91	216	201	407	250
Patentes et centièmes additionnels	74	234	286	345	370	556	584	623
Taxes de vérification des poids et mesures	»	4	5	6	8	10	11	13
Impôt des barques de rivière	18	63	66	66	79	79	78	84
Taxe sur les automobiles	»	8	12	17	25	36	45	48
Contributions directes, totaux	3.681	5.500(1)	6.031(1)	7.187	7.279	8.064	8.202	7.800
2 ^o) Produits du domaine	2	24	15	18	81	135	133	292
3 ^o) Taxes minières	»	1	1	1	1	3	3	58
4 ^o) Produit des forêts	276	634	687	731	778	918	957	1.099
5 ^o) Produits affermés	508	284	831	837	782	804	836	950
6 ^o) Recettes d'entreprises industrielles	»	2	10	10	16	6	5	10
7 ^o) Taxes diverses	40	115	123	126	139	133	149	227
8 ^o) Amendes administratives et judiciaires, frais de justice	96	79	100	81	84	85	111	127
9 ^o) Intérêts des fonds de réserve	32	12	10	8	5	7	7	8
10 ^o) Recettes en atténuation de dépenses	57	42	42	48	58	90	107	119
11 ^o) Recettes diverses et accidentelles	106	36	38	38	99	82	69	59
12 ^o) Recettes d'exercices clos	46	62	75	82	57	131	347	179
Recettes directes du budget local, totaux	4.844	6.791	7.963	9.167	9.378	10.458	10.926	10.928
II. — SUBVENTIONS ET CONTRIBUTIONS D'AUTRES BUDGETS								
Subvention du budget général	20	410	440	590	1.849	734	734	734
Ristourne sur l'augmentation des droits de sortie des riz	»	65	46	57	»	»	»	»
Contributions de différents budgets (2)	120	308	287	290	268	252	418	482
Fonds de concours des budgets communaux	»	»	»	»	»	43	45	59
Subventions et contributions, totaux	140	783	773	937	2.117	1.029	1.197	1.275
Totaux généraux	4.984	7.574	8.736	10.104	11.495	11.487	12.123	12.203

(1) Y compris recettes perçues sur le territoire de la ville de Phnom-penh et abandonnées au budget de cette ville, qui les encaisse directement depuis 1925.
(2) Budget général, Budget de la Cochinchine, Budget de la Municipalité de Phnom-penh.

D'après les Comptes administratifs du Budget local du Cambodge.

Tax on Wages and Salaries

Tax on wages and salaries began in 1938 and applied to all people in Cambodia regardless of status. The salary tax was an increasing scale of 0.25-3% which applied to all wages, salaries and allowances greater than \$3,600 piastre for Europeans and greater than \$2,400 piastre for other taxpayers (Annuaire Statistique de L'Indochine 1937-1938, p 201).

Income Tax

A general income tax was collected in the final years of the French Protectorate of Cambodia, reaching 0.5-10% of income exceeding \$3,600 after deductible allowances. The general income tax applied to all persons regardless of nationality (Annuaire Statistique de L'Indochine 1937-1938, p 201).

An additional tax on profit from industrial, commercial and similar activities was applied from November 6, 1940 and applied to all of the territories in Indochina (Annuaire Statistique de L'Indochine 1941-1942, p 201).

Prestation (Corvee)

The tax called “prestation” in French language, was an annual tax on male adults requiring them to either provide a number of days unpaid labor or pay an avoidance tax.

The prestation tax as a formal element of the Cambodian tax system was established by Royal Ordinance in 1902, setting the rate at \$3 piastre per “registered person”, representing \$0.30 piastre per 10 days of labor. For Cambodians the rate was only \$1 piastre in 1902, increasing to the standard rate of \$3 piastre by 1907.

A review of prestation rates in 1917 was followed by a major revision of the prestation rates in 1919 based on the observation that the wages rates had increased significantly since 1902, but the prestation tax had remained the same (Resident Superior of Cambodia, 1919). Following this, in 1919 the Council of Government on recommendation of the Resident Superior of Cambodia increased the prestation rates for Annamites to \$4.5 piastre and \$7 piastre for other foreign Asians (Governor General of Indochina, Arrete, 1919). In parallel, King Sisowath of Cambodia issued a Royal Ordinance raising the prestation rate for Cambodians to \$4 piastre (Royal Ordinance on Prestation, 1919). The new rates took effect from January 1, 1920. The French administration justified the lower rates for Cambodians due to the fact that Cambodians were subject to other contributions such as military service (Resident Superior of Cambodia, 1919).

The prestation tax was one of the most significant sources of income for the Cambodian budget, and in 1919 was 30% of the Cambodian budget in 1919, (Annuaire Statistique de L'Indochine 1913-1922, p 270). This tax was eventually eliminated and replaced with an increased poll tax by 1939. The prestation tax was reportedly widely resented due to the poor working conditions and that the government demand for this free labor was during harvest season, the same time that the local people would be most urgent to use their own labor for their own farms.

It should be noted that the prestation tax was formerly a tax in France called *corvée* that was eliminated in 1776 during the French revolution. In French Indochina, prestation tax was also collected in Annam, Tonkin, and Laos, but there was no prestation tax collected in Cochinchine, which was a French colony rather than a protectorate. The benefit tax was last reported in the 1937 Cambodian budget.

This study understates the tax burden on the Cambodian population to the extent that prestation was paid in the form of labor; this study only includes the prestation paid in the form of currency. To more fully measure the tax burden including the cost of prestation, future studies may consider the opportunity cost of prestation.

Property Taxes

Agricultural land was taxed according to the type of crop grown on the land and the location of the land. The “*contribution foncière*” property tax was first introduced into the French tax system in 1790 (Bloch, p. 269).

The main categories for determining the amount of property tax to be paid were rice fields, fields used for crops in general (“*Chamcar*” which were broken down into subcategories), and agricultural land bordering the main rivers (*Annuaire Statistique de L’Indochine* 1913-1922, p 204). These classifications were made based on the estimated income that could be earned from each type of land, with more lucrative land being taxed at a higher rate (Residence Superior, December 9, 1016). A 1916 ordinance from the Governor General of Indochina, on recommendation from the Resident Superior of Cambodia revised certain property taxes with tobacco and sugar cane fields taxed the highest at \$14-\$23 piastre per hectare and cucumber and watermelon plots taxed the least at \$1.50-\$4 piastre per hectare (Governor General of Indochina, Decree, 1916). In the same period, rice fields were taxed from \$1-2 piastre per hectare, but there were additional taxes on rice harvests.

Farmland and harvests below a certain size were not subject to tax. While other Indochina regions such as Cochinchina had an urban property tax, there was no urban property tax in Cambodia (*Annuaire Statistique de L’Indochine* 1923-1929, p 298).

Business License Tax (Patent Tax)

There was an annual business license tax, with taxes paid according to the type of business. This “*Patente*” tax was first introduced in France in 1791 (Bloch, p. 269) but was eliminated as a national tax in France in 1917, becoming at that time a local tax (Bloch, p. 270). In France, the patent tax was eventually eliminated in 1975, replaced with a “*Professional Tax*” which was itself eliminated in 2010.

The business license tax included a fixed proportion and a variable portion based on the rental value of the business premises (*Annuaire Statistique de L’Indochine* 1913-1922, p 205). Until 1926 there were 15 categories of business license tax and from 1927 onward, the business license tax in Cambodia was harmonized with the business license tax in Cochinchina which had 36 classes of business license (*Annuaire Statistique de L’Indochine* 1923-1929, p 299-300).

Tax on Rice Paddy

A tax on rice paddy was due for all inhabitants in Cambodia by September 1st of each year. The rate was \$0.05 piastre per “thang”, a local measure which for purposes of the paddy tax was set at 40 liters. There was an exemption for any harvests under 40 cubic decimeters. Collection of the paddy tax was carried out by the commune chieftains who issued tax receipts allowing the rice paddy to be transported and passed through the inspection of provincial customs officers. Commune chiefs were allowed to keep 4% of the tax collected (Royal Ordinance on Paddy Tax, 1918).

Tax on Pepper Plants

The administration in Cambodia collected taxes including taxes on pepper plants. The pepper plant tax was charged on the height of the pepper plant, with plants less than 1.5 meters in height being exempt (Resident of Kampot, December 26 , 1916). As with other taxes, the taxation of pepper plants was carried out diligently with standardized forms to record data on pepper farmers and their plants.

General Budget Income from Customs Taxes, Salt, Sale of Opium and Alcohol

This study omits income generated from customs taxes and sale of goods such as opium and alcohol because these were collected by and paid to the Indochina general budget. The Indochina government (Gouvernement Général de L'Indochine) had a general budget for which it earned revenues such as customs taxes, tax on tobacco, and the licensing and monopolies of products and services including sale of opium, salt, alcohol, and telecommunication (Annuaire Statistique de L'Indochine 1913-1922, pp 260-261). Similar to Corvee which had been eliminated by the French Revolution but revived in overseas French territories as prestation, some indirect taxes such as the tax on salt were also eliminated in France by the French revolution (Bloch, p 267) but were maintained overseas, including in Indochina.

The general budget revenue earned from the sale of products and services was significant. For example, income from the sale of opium represented 22% of the general budget revenue in 1913 and 27% of the general budget revenue in 1922 (Annuaire Statistique de L'Indochine 1913-1922, pp 260-261). Cambodia's contribution was important; for example, in the single month of March 1899, 923 kg of opium were sold in Cambodia (Douanes et Regies de l'Indochine, 1899).

Figure 4: Cambodia Customs and Excise Report on Sale of Opium and Tax on Matches and Salt for the Month of March 1899

This report was kept by the Resident Superior of Cambodia administration and is now in the Cambodian national archives.

Douanes et Régies de l'Indo-Chine
Inspection du Cambodge

Relevé des ventes d'opium et taxes de consommation sur les allumettes et le sel effectuées au Cambodge pendant le mois de Mars 1899.

Désignation des Entrepôts	Quantité d'opium en kilogrammes		Droit		Observations
	sur les allumettes	sur le sel	sur les allumettes	sur le sel	
Bacnam	3	620		558 17	
Banam	58	650		2425 34	
Kanyot	50	000		498 30	
Kaslo	22	180		892 50	
Kompong Cham	125	660		4272 93	
Kratie	31	120		56 54	
Kompong Kiam	108	255		126 93	
Kompong Kassang	28	205		531 96	
Kiam	24	240		106 46	
Onom-Terb	373	066		10399 41	
Pursat	21	140		146 45	
Samit	2	675		" "	
Salaco	32	800		26 31	
Sambon	79	585		916 67	
Conhon	20	340		541 44	
Vinh-Lai	6	010		860 31	
Vinh-Luong	4	500		1012 19	
Cotaxe	489	545		23371 91	
le mois précédent	73	415		9771 60	
le mois corres. pendant de 1898	76	345	28	23125 04	
Mois Antérieurs			3	83	23371 91
Cotaxe			3	83	29793 16
Total général des nouveaux impôts					53.168.90

Onom-Terb, le 30 Mars 1899.
S'Inspecteur, chef de service

DOUANE ET REGIES DE L'INDO-CHINE
INSPECTION
CAMBODGE

In 1926, the subsidy to Cambodia from the Indochina general budget was replaced with a 25% rebate on receipts including those from customs, indirect contributions, state monopoly sales and the post system; the following year, this rebate was eliminated and subsidy from the general budget was reestablished (*Annuaire Statistique de L'Indochine 1923-1929*, p 294-295).

PROTECTORATE OF CAMBODIA TAX COLLECTION AS A PERCENT OF GDP

This study has not found any estimates for Cambodia's GDP for the period of the French Protectorate and reliable estimates of Cambodia's GDP remain a topic for future researchers. However, there are estimates of Vietnam's GDP and per capita GDP during this period. To achieve a rough estimate of the efficiency of tax collection in Cambodia as well as the tax burden to the Cambodian population, this study uses a stable Vietnamese per capita GDP in USD as a proxy, estimating Cambodia's GDP during the period as 67% of the Vietnamese per capita GDP, with the proportion of 67% based on the average differences in per capita output over the period of 1993-2021. The output per capita is multiplied by the estimated population of Cambodia and reduced with an appropriate deflator to reduce the USD value to match each year in question. Following this, the output in USD was converted to Indochina Piastre using a Piastre/USD exchange rate based on the USD price of silver of the piastre's 24.3 grams of silver. The results are shown in Table 2 below.

Table 2: Tax Collection as a Percentage of Cambodian GDP During the French Protectorate

	1913	1918	1923	1928	1933	1938	1943
Cambodian tax revenue and direct income in '000 piastre	4,844	5,308	6,791	10,926	6,715	9,374	15,285
Estimated Cambodia GDP '000 Indochina Piastre	144,215	90,015	215,379	327,896	244,529	434,528	426,955
Tax revenue and direct income as a percent of GDP	3.4%	5.9%	3.2%	3.3%	2.7%	2.2%	3.6%

Table 2 Estimations and Sources

- 1.) Cambodian tax revenue and direct income are from the corresponding *Annuaire Statistique de l'Indochine*
- 2.) The Piastre:USD exchange rate was estimated at the USD price of 24.3 grams of silver using the USD price of silver from <https://www.chards.co.uk/silver-price/all-time-price-usa-dollar>.
- 3.) GDP was estimated at the estimated per capita GDP x estimated Cambodian population.
- 4.) The Cambodian population was extrapolated on a straight-line basis with 1921 2.4 m, 1931 2.806 m, 1936 3.046 m, 1946 3.227 m; figures for 1921, 1931, 1936 and 1946 taken from the Indochina government statistical yearbook.
- 5.) Per capita GDP was estimated at 67% of the Vietnamese per capita GDP for the year 1913 of 2020 USD \$1,159 from the Maddison Project Database: <https://www.rug.nl/ggdc/historicaldevelopment/maddison/releases/maddison-project-database-2020>
- 6.) USD deflator to reduced the 2020 USD value to the deflated value in 1913, 1918, 1923, 1928, 1933, 1938 and 1943 was taken from <https://www.in2013dollars.com/us/inflation/1933?endYear=2020&amount=1>

Based on the estimated amount of tax collected per GDP shown in Table 2 above, the amount of tax collected in Cambodia as a proportion of GDP can be compared with that of the United States for which federal tax receipts in 1933 were 3.4% of GDP and in 1943 were 7.5% of GDP (OMB, 2023). However, tax collections in Cambodia as a percent of GDP were significantly less than the major European countries whose tax collections were at a higher level for reasons including the demands of World War I and World War II. For example, in the United Kingdom general government tax collections in both 1933 and 1938 were approximately 22% of GDP, and by 1945 had risen to approximately 32% (Tom Clark and Andrew Dilnot, 2002) . A lower rate of tax collection is not surprising for Cambodia which was highly undeveloped and with a relatively new system of public administration, making collection of taxes difficult. While the low rate is expected, it is an underestimate to the degree that this figure excludes the impact of indirect taxes on imported products which was collected at the central government level.

CONCLUSION

The French Protectorate of Cambodia established the first modern tax administration in Cambodia as part of a system of national budget management. Although tax in Cambodia was implemented under Royal Decrees by the King of Cambodia and regulations issued by the French Resident Superior of Cambodia, tax in Cambodia was aligned with taxes in the other Indochina territories. Tax collection under the French in Cambodia was effective and sufficient in supporting the national budget with minimal assistance from the Indochina central government. However, the scale and scope of tax collection in French Cambodia was significantly less than in contemporary Cambodia.

Taxes under the French Protectorate of Cambodia underwent an evolution that established the foundation for contemporary taxes in Cambodia. The main sources of income for in the early years of the French Protectorate of Cambodia were personal poll taxes, prestation fees, and property tax. Ultimately, prestation was eliminated and new modern taxes were introduced, such as tax on salary and income tax which remain significant taxes in contemporary Cambodia. The imprint of the French Protectorate is also seen in the “Patent Tax” introduced by the French but ultimately eliminated in France while still being collected in present-day Cambodia.

It is hoped that this study of direct taxes collected in the French Protectorate of Cambodia can support continued research into tax and the role that tax played in the development of the country. While this study mainly relied on the physical documents in the National Archives of Cambodia as well as scanned archival documents in the National Library of France, future studies may continue with study of documents in the France Overseas National Archives in Aix-en-Provence. Also, this study was limited by the absence of reliable estimates for Cambodia’s GDP in the years of the French Protectorate of Cambodia. Estimating Cambodia’s GDP for these years may be a worthy undertaking for future scholars.

WORKS CITED

- Bloch, Henri-Simon. 1940. The Evolution of French Taxation - An Historical Sketch. The Bulletin of the National Tax Association, June 1940. Vol. 25, No. 9 (June 1940), pp 266-273.
- Brocheux, P., Hemery, D. 2009. Indochina: An Ambiguous Colonization 1858-1954. University of California Press.
- Clark, T., Dilnot, A. 2002. Long-Term Trends in British Taxation and Spending. The Institute for Fiscal Studies Briefing Note No. 25.
- Congneau, D., Dupraz, Y, Mesple-Somps, S. 2019. Fiscal Capacity and Dualism in Colonial States: The French Empire 1830-1962. Hal Open Science.
- Direction des Finances, Gouvernement General de l'Indochine. 1926. Situation Financiere et Impots Nouveaux. National Archives of Cambodia, Document No. 2030.
- Direction Des Affaires Economiques et Administratives Bureau de la Statistique Generale, Gouvernement General de l'Indochine. 1935. Annuaire Statistique de l'Indochine 1932-1933. Imprimerie D'Extreme Orient. Hanoi.
- Direction Des Affaires Economiques et Administratives Bureau de la Statistique Generale, Gouvernement General de l'Indochine. 1937. Annuaire Statistique de l'Indochine 1934-1935-1936. Imprimerie D'Extreme Orient. Hanoi.
- Direction Des Affaires Economiques Service de La Statistique Generale, Gouvernement General de l'Indochine. 1927. Annuaire Statistique de l'Indochine 1913-1922. Imprimerie D'Extreme Orient. Hanoi.
- Direction Des Services Economiques de La Statistique Generale, Gouvernement General de l'Indochine. 1938. Annuaire Statistique de l'Indochine 1936-1937. Imprimerie D'Extreme Orient. Hanoi.
- Direction Des Services Economiques de La Statistique Generale, Gouvernement General de l'Indochine. 1939. Annuaire Statistique de l'Indochine 1937-1938. Imprimerie D'Extreme Orient. Hanoi.
- Direction Des Services Economiques de La Statistique Generale, Gouvernement General de l'Indochine. 1945. Annuaire Statistique de l'Indochine 1941-1942. Imprimerie D'Extreme Orient. Hanoi.
- Douanes et Regies de l'Indochine, Inspection du Cambodge. 1899. Statement of Opium tax and the consumption of matches and salt in Cambodia sold for the month of March 1899. National Archives of Cambodia, File No. 4778.
- Frankema, E., Booth, A. 2020,. Fiscal Capacity and the Colonial State in Asia and Africa, c. 1850 - 1960. Cambridge University Press.
- Gardere, Jean-Daniel. 2010. Money and Sovereignty: An exploration of the economic, political and monetary history of Cambodia. National Bank of Cambodia.
- Governor General of Indochina. 1916. Decree on taxes on farms in Cambodia. National Archives of Cambodia document file No. 2046.
- Governor General of Indochine. 1919. Arrete on Prestation Rates. National Archives of Cambodia file No. 1265.

- Haut-Commissariat de France pour l'Indochine, Affaires Economiques, Union Francaise. 1948. Annuaire Statistique de l'Indochine 1943-1946. Statistique Generale de l'Indochine.
- Haut-Commissariat de France pour l'Indochine, Affaires Economiques, Union Francaise. 1949. Annuaire Statistique de l'Indochine 1947-1948. Statistique Generale de l'Indochine.
- Inspection Generale des Mines et de l'Industrie de La Statistique Generale de l'Indochine, Gouvernement General de l'Indochine. 1931. Annuaire Statistique de l'Indochine 1923-1929. Imprimerie D'Extreme Orient. Hanoi.
- Inspection Generale des Mines et de l'Industrie de La Statistique Generale de l'Indochine, Gouvernement General de l'Indochine. 1932. Annuaire Statistique de l'Indochine 1930-1931. Imprimerie D'Extreme Orient. Hanoi.
- Jerez, Montserrat Lopez. 2020. Colonial and Indigenous Institutions in the Fiscal Development of French Indochina. Fiscal Capacity and the Colonial State in Asia and Africa, c 1850-1960. Chapter 4. Cambridge University Press.
- Kingdom of Cambodia. Royal Ordinance on Prestation. 1919. National Archives of Cambodia file 1265.
- Kingdom of Cambodia. Royal Ordinance. 1918. Royal Ordinance on Paddy Tax. National Archives of Cambodia document file No. 2046.
- OMB, Office of Management and Budget (2023) "Historical Tables." Budget of the United States Government. www.whitehouse.gov/omb/historical-tables.
- Osborne, Milton. 1978. Peasant Politics in Cambodia: The 1916 Affair. Modern Asian Studies, 1978, Vol 12, No. 2 (1978) pp. 217-243. Cambridge University Press.
- Republic of France, Loi n° 75-678 du 29 juillet 1975 supprimant la patente et instituant une taxe professionnelle.
- Residence Superieure du Cambodge. Undated, possibly 1917-1919. Personal Tax Regulation Project for Cambodians and Similar. National Archives of Cambodia document file No. 2046.
- Resident Superior of Cambodia. 1920. Rapport de Presentation a Monsieur Le Gouverneur General En Commission Permanente du Conseil de Gouvernement du Projet de Revision de l'Impot des Prestations au Cambodge. National Archives of Cambodia, File No. 1265.
- Residence Superieure du Cambodge. 9 December 1916. Report of the Head Inspector of Local Cambodia Agricultural and Commercial Services in Cambodia to the Resident Superior. National Archives of Cambodia document file No. 2046.
- Residence Superieure du Cambodge. April 17, 1919. Summary of comments from provincial residents on revision of taxes on crops. National Archives of Cambodia document File No. 2046.
- Residence Superieure du Cambodge. May 25, 1926. Situation Financiere et Impots Nouveaux. National Archives of Cambodia document File No. 2030.
- Residence de Kompong-Cham. January 1, 1917. Letter to the Resident Superior of Cambodia. National Archives of Cambodia document file No. 2046.
- Residence of Kampot. December 26, 1916. Project of Regulations at Pepper Tax. National Archives of Cambodia document file No. 2046.
- Slocomb, Margaret. 2010. An Economic History of Cambodia in the Twentieth Century. NUS Press.
- Vibol, Kong. 2021. Reform of Cambodian Tax 2013-2020. General Department of Taxation.

