

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 712 OF 2016

SECTION 12I TAX ALLOWANCE PROGRAMME

The Minister of Trade and Industry, Dr Rob Davies - in terms of section 12I (19)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision to **approve** an application received for the 12I Tax Allowance Programme.

Particulars of applicant

- Name of applicant: [Tongaat Hulett Limited](#)
- Tongaat Hulett Limited - Refinery Energy Efficiency Upgrade is a project to manufacture [Refined Sugar](#). The project will invest a total of [R525 000 000](#), with the value of qualifying manufacturing assets equal to [R525 000 000](#). The project is classifiable under SIC [3011](#).
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	June 2018	458 000 000
Buildings	May 2017- June 2018	67 000 000
Total Qualifying Assets		525 000 000

- Date of approval: [26 July 2016](#).
- Envisaged date of commercial production: [May 2017](#).
- Additional investment allowance benefit period: [July 2016 to July 2020](#).
- [Tongaat Hulett Limited](#) is approved as a [Brownfield](#) project and awarded 7 [points](#) and afforded [Preferred Status](#).
- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use by the company is [R 288 750 00 \(two hundred eighty eight million seven hundred and fifty thousand rand\)](#).
- The approved amount for the additional **training** allowance is [R 2 376 000 \(two million three hundred and seventy six thousand rand\)](#).
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances of [the company](#) will be [R81 515 280](#).

Enquiries relating to this publication should be made to:

The Secretariat: 12I Tax Allowance Programme
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