

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 715 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: **KAP Bedding (Pty) Ltd.**
- **KAP Bedding (Pty) Ltd – Bedding Expansion Project** is a project to manufacture **Base Sets (Mattress and Base)**. The project will invest a total of **R 152 796 300**, with the value of qualifying manufacturing assets equal to **R 152 796 300**. The project is classifiable under **SIC 3129**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	1 July 2017	152 796 300
Total Qualifying Assets		152 796 300

- Date of approval: **25 July 2016**.
- Envisaged date of commercial production: **1 July 2017**.
- Additional investment allowance benefit period: **July 2016 to July 2020**.
- Additional training allowance benefit period: **July 2016 to July 2022**.
- **KAP Bedding (Pty) Ltd – Bedding Expansion Project** is approved as a **Brownfield** project and awarded **6** points and afforded **Qualifying Status**.
- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use by **KAP Bedding (Pty) Ltd** is **R53 478 705** (fifty three million four hundred and seventy eight thousand seven hundred and five rand).
- The approved amount for the additional **training** allowance is **R 7 220 374** (seven million two hundred and twenty thousand three hundred and seventy four rand).
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances **KAP Bedding (Pty) Ltd** will be **R 16 995 742**.

Enquiries relating to this publication should be made to:

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