

**DEPARTMENT OF TRADE AND INDUSTRY
DEPARTEMENT VAN HANDEL EN NYWERHEID**

No. 756

3 October 2014

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: **African Oxygen Limited.**
- African Oxygen Limited- Coega Air Separation Unit** is a project to manufacture **Liquefied Nitrogen (LN), Liquefied Oxygen (LOX), Liquefied Argon(LAR)**. The project will invest a total of **R320 400 000**, with the value of qualifying manufacturing assets equal to **R319 741 060**. The project is classifiable under **SIC 3341**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	April 2015	230 796 060
Owned Buildings	April 2015	88 495 000
Total Qualifying Assets		319 741 060

- Date of approval: **6 May 2014.**
- Envisaged date of commercial production: **April 2015.**
- Additional investment allowance benefit period: **May 2014 to May 2018.**
- Additional training allowance benefit period: **May 2014 to May 2020.**
- African Oxygen Limited** is approved as a **Greenfield** 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 **African Oxygen Limited** is **R239 805 795** (two hundred and thirty nine million eight hundred and five thousand, seven hundred and ninety five rand).
- The approved amount for the additional **training** allowance is **R 720 000** (seven hundred and twenty thousand rand).

- Total potential national revenue to be forgone by virtue of deduction of the approved allowances for **African Oxygen Limited** will be **R 67 347 222**.

Enquiries relating to this publication should be made to:

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