

No. 1006

12 December 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: **Ironveld Smelting (Pty) Ltd**
- Ironveld Smelting (Pty) Ltd** is a project to manufacture high purity pig iron, vanadium and titanium. The project will invest a total of **R 610 288 701**, with the value of qualifying manufacturing assets equal to **R 548 912 735**. The project is classifiable under **SIC 3510**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	October 2015	491 680 910
Buildings	October 2015	57 231 825
Total Qualifying Assets		R 548 912 735

- Date of approval: **10 September 2014**
- Envisaged date of commercial production: **October 2015**
- Additional investment allowance benefit period: **September 2014 to September 2018**
- Additional training allowance benefit period: **September 2014 to September 2020**
- Ironveld Smelting (Pty) Ltd** 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 **Ironveld Smelting (Pty) Ltd** is **R 192 119 457** (One hundred and ninety two million one hundred and nineteen thousand four hundred and fifty seven rand)
- The approved amount for the additional **training** allowance **R 2 952 000** (two million nine hundred and fifty two thousand rand)
- Ironveld Smelting (Pty) Ltd** is expected to create **82** direct jobs before the end of the additional investment allowance benefit period.
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances for **Ironveld Smelting (Pty) Ltd** will be **R 54 620 008**.

Enquiries relating to this publication should be made to:

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