

No. 384

8 May 2015

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: **Saldanha Steel (Pty) Ltd.**
- **Saldanha Steel (Pty) Ltd – Corex Reline Project** is a project to manufacture **Hot Rolled Coil**. The project will invest a total of **R 1 310 615 110**, with the value of qualifying manufacturing assets equal to **R 1 310 615 110**. The project is classifiable under **SIC 3531**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	01 November 2016	1 275 785 110
Buildings	01 November 2016	34 830 000
Total Qualifying Assets		1 310 615 110

- Date of approval: **19 March 2015**.
- Envisaged date of commercial production: **01 December 2016**.
- Additional investment allowance benefit period: **March 2015 to March 2019**.
- Additional training allowance benefit period: **March 2015 to March 2021**.
- **Saldanha Steel (Pty) Ltd** 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 **Saldanha Steel (Pty) Ltd** is **R350 000 000** (three hundred and fifty million rand).
- The approved amount for the additional **training** allowance is **R 7 200 000** (seven million two hundred thousand rand).

- Total potential national revenue to be forgone by virtue of deduction of the approved allowances for **Saldanha Steel (Pty) Ltd** will be **R 100 016 000**.

Enquiries relating to this publication should be made to:

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