

DEPARTMENT OF TRADE AND INDUSTRY

NO. 1154

20 NOVEMBER 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: **ArcelorMittal South Africa Ltd.**
- **ArcelorMittal South Africa Ltd– Coke Expansion Project (Vanderbiljpark)** is a project to manufacture **Steel Slab**. The project will invest a total of **R580 661 319**, with the value of qualifying manufacturing assets equal to **R580 661 319**. 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	01 January 2016	541 962 010
Buildings	01 January 2016	38 699 309
Total Qualifying Assets		580 661 319

- Date of approval: **13 May 2015**.
- Envisaged date of commercial production: **31 December 2016**.
- Additional investment allowance benefit period: **May 2015 to May 2019**.
- Additional training allowance benefit period: **May 2015 to May 2021**.
- **ArcelorMittal South Africa 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 **ArcelorMittal South Africa Ltd** is **R203 231 462** (two hundred and three million two hundred and thirty one thousand four hundred and six two rand).
- The approved amount for the additional **training** allowance is **1 512 000** (one million five hundred and twelve thousand rand).

- Total potential national revenue to be forgone by virtue of deduction of the approved allowances for **ArcelorMittal South Africa Ltd (Pty) Ltd** will be **R 57 328 169**.

Enquiries relating to this publication should be made to:

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