

DEPARTMENT OF TRADE AND INDUSTRY

NO. 12

08 JANUARY 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: **UMKOMAAS LIGNIN (PTY) LTD**
- **Umkomaas Lignin (Pty) Ltd- Umkomaas Pre- Concentrator Project** is a project to manufacture lignosulphonate powder and liquid. The project will invest a total of **R113 966 566**, with the value of qualifying manufacturing assets equal to **R109 655 545**. The project is classifiable under **SIC 3359**
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	January 2017	109 655 545
Total Qualifying Assets		109 655 545

- Date of approval: **11 September 2015**.
- Envisaged date of commercial production: **15 January 2017**.
- Additional investment allowance benefit period: **September 2015 to September 2019**.
- Additional training allowance benefit period: **September 2015 to September 2021**.
- **Umkomaas Lignin (Pty) Ltd- Umkomaas Pre- Concentrator 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 **Umkomaas Lignin (Pty) Ltd** is **R38 379 441** (thirty eight million three hundred seventy nine thousand four hundred and forty four rand).

- The approved amount for the additional **training** allowance is **R2 304 000** (two million three hundred and four thousand rand).

- Total potential national revenue to be forgone by virtue of deduction of the approved allowances for **Umkomaas Lignin (Pty) Ltd** will be **R 11 391 363**.

Enquiries relating to this publication should be made to:

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