

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

No. 824

24 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 Ltd**
- **African Oxygen Ltd** is a project to manufacture industrial and medical gases. The project will invest a total of **R 348 283 406**, with the value of qualifying manufacturing assets equal to **R 222 037 211**. 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	December 2015	86 992 087
Buildings	December 2015	135 045 124
Total Qualifying Assets		R 222 037 211

- Date of approval: **11 August 2014**
- Envisaged date of commercial production: **July 2015**
- Additional investment allowance benefit period: **July 2014 to July 2018**
- Additional training allowance benefit period: **July 2014 to July 2020**
- **African Oxygen 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 **African Oxygen Ltd** is **R 77 713 024** (seventy seven million seven hundred and thirteen thousand and twenty four rand)
- The approved amount for the additional **training** allowance is **R 1 913 835** (one million nine hundred and thirteen thousand eight hundred and thirty five rand).
- **African Oxygen Ltd** is expected to create no additional 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 **African Oxygen Ltd** will be **R 22 295 521**.

Enquiries relating to this publication should be made to:

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