

**DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 211 OF 2017**

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: **Pioneer Foods (Pty) Ltd.**
- **Pioneer Foods (Pty) Ltd - KZN Wheaten Value Chain Expansion, Project to manufacture Bread.**
The project will invest a total of **R 420 000 000**, with the value of qualifying manufacturing assets equal to **R 372 450 294**. The project is classifiable under SIC **3041 (SIC edition 7: 1071)**.

Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	October 2017	305 688 294
Buildings	October 2017	66 762 000
Total Qualifying Assets		372 450 294

- Date of approval: **13 January 2017**.
- Envisaged date of commercial production: **01 October 2017**.
- Additional investment allowance benefit period: **December 2016 to December 2020**.
- **Pioneer Foods (Pty) Ltd** is approved as a **Brownfield** project and awarded **5** points and afforded **Qualifying Status**.
- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use by the company is **R 130 357 603 (one hundred and thirty million three hundred and fifty seven thousand six hundred and three rand)**.
- The approved amount for the additional **training** allowance is **R 5 095 919 (five million and ninety five thousand nine hundred and nineteen rand)**.
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances of **Pioneer Foods (Pty) Ltd** will be **R 37 926 986**.

Enquiries relating to this publication should be made to:

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