

DEPARTMENT OF TRADE AND INDUSTRY

NOTICE 421 OF 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: **Nestle South Africa (Pty) Ltd.**
- Nestle South Africa (Pty) Ltd - Mossel Bay Expansion Project** is a project to manufacture **Milk (Liquid and Powder)**. The project will invest a total of **R 238 150 000**, with the value of qualifying manufacturing assets equal to **R 238 150 000**. The project is classifiable under **SIC 3020**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	31 October 2016	208 400 000
Buildings	15 April 2018	29 750 000
Total Qualifying Assets		238 150 000

- Date of approval: **31 March 2016**.
- Envisaged date of commercial production: **15 April 2018**.
- Additional investment allowance benefit period: **March 2016 to March 2020**.
- Additional training allowance benefit period: **March 2016 to March 2022**.
- Nestle South Africa (Pty) Ltd – Mossel Bay Expansion Project** is approved as a **Brownfield** project and awarded **7** points and afforded **Preferred Status**.
- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use **Nestle South Africa (Pty) Ltd** is **R130 982 500** (one hundred and thirty million nine hundred and eighty two thousand five hundred rand).
- The approved amount for the additional **training** allowance is **R 7 956 000** (seven million nine hundred and fifty six thousand rand).
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances **Nestle South Africa (Pty) Ltd** will be **R 38 902 780**.

Enquiries relating to this publication should be made to:

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