

LEGAL NOTICE No. 171

REPUBLIC OF TRINIDAD AND TOBAGO

THE FISCAL INCENTIVES ACT, CHAP. 85:01

ORDER

MADE BY THE PRESIDENT UNDER SECTION 10 OF
THE FISCAL INCENTIVES ACTTHE FISCAL INCENTIVES (CLIFFS AND ASSOCIATES
LIMITED) ORDER, 1996

Citation 1. This Order may be cited as the Fiscal Incentives (Cliffs and Associates Limited) Order, 1996.

Declaration of approved enterprise 2. Cliffs and Associates Limited, a company incorporated in Trinidad and Tobago (hereinafter referred to as "the Company") is declared an approved enterprise in respect of circored briquettes (reduced iron) (hereinafter referred to as "the approved product") to be manufactured at its plant, to be constructed at the Point Lisas Industrial Estate, Point Lisas, with effect from 1st June, 1998 (hereinafter referred to as "the production day").

Classification and benefits 3. The Company, classified as a highly capital intensive enterprise in respect of the approved product, is granted for a period of five years commencing from the production day—

- (a) total relief from corporation tax in relation to the approved product;
- (b) subject to section 16 of the Act, total relief from Income Tax on dividends or other distributions, other than interest, out of profits or gains derived from the manufacture of the approved product during the tax holiday period; such relief is to be in respect of that portion of the tax liability of the recipient shareholders as exceeds the tax liability in the country in which the recipient is resident.

Obligations imposed on approved enterprise Schedule 4. The Company shall—

- (a) undertake locally or cause to be undertaken locally the minimum manufacturing processes set out in the Schedule;
- (b) maintain to the satisfaction of the Board of Inland Revenue accounts in respect of its business and the accounts so maintained shall allow for the transactions relating to the

- manufacture of the approved product to be clearly identifiable from the transactions relating to any other business of the Company;
- (c) submit annually, notwithstanding the relief from tax under this Order, a return of the income so exempt from tax, at the same time and in the same manner as would have been required had income not been so exempted;
 - (d) observe the practice and policy prevailing in Trinidad and Tobago as regards labour relations and conditions of employment;
 - (e) comply with the requirements of the Environmental Management Authority on the environmental codes of conduct for the industry.

SCHEDULE

[Paragraph 4(a)]

MINIMUM MANUFACTURING PROCESSES

The Minimum Manufacturing Processes to be observed by the Company are as follows:

- (a) the reaction of hydrogen derived from natural gas with natural iron ore fines to produce direct reduced iron;
- (b) the compacting of the reduced iron into specially designed solid shapes, generically called briquettes.

Made this 29th day of October, 1996.

C. SOOKRAM
Secretary to Cabinet