

LEGAL NOTICE No. 54

REPUBLIC OF TRINIDAD AND TOBAGO

THE FISCAL INCENTIVES ACT, CHAP. 85:01

ORDER

MADE BY THE PRESIDENT UNDER SECTION 10 OF THE FISCAL
INCENTIVES ACT

THE FISCAL INCENTIVES [NITROGEN (2000) LIMITED]
ORDER, 2002

1. This Order may be cited as the Fiscal Incentives [Nitrogen (2000) Citation
Limited] Order, 2002.

2. In this Order—

Interpretation

“Act” means the Fiscal Incentives Act;

Chap. 85:01

“tax holiday period” means a period of ten years.

3. Nitrogen (2000) Limited, a company incorporated in Trinidad and Tobago (hereinafter referred to as “the Company”) is declared to be an approved enterprise in respect of the product, anhydrous ammonia (hereinafter referred to as “the approved product”) to be manufactured at its plant to be constructed at Point Lisas Industrial Estate, Point Lisas, with effect from the 1st day of November, 2003 (hereinafter referred to as “the production day”).

Declaration of
approved
enterprise

4. The Company, classified as a highly capital intensive enterprise in respect of the approved product, under section 9 of the Act, is granted, for the tax holiday period commencing from the production day—

Classification
and benefits

(a) total relief from corporation tax for the first two years in relation to the approved product;

(b) a reduction in the rate of corporation tax to twenty per cent for the next eight years in relation to the approved product; and

(c) 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.

Obligations
imposed on
approved
enterprise
Schedule

5. 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 distinguishable 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; and
- (f) provide relevant statistics and economic data at intervals, as required by the Tourism and Industrial Development Company of Trinidad and Tobago Limited.

SCHEDULE

MINIMUM MANUFACTURING PROCESSES

[Paragraph 5(a)]

The minimum manufacturing processes to be observed by the Company are as follows:

- (a) desulphurisation where feed gas is passed through a bed of catalyst in order to remove most of the sulphur;
- (b) reforming, where desulphurised feed gas is mixed with steam and passed through tubes containing catalyst where the reaction converts feed gas and steam into free hydrogen, carbon monoxide and carbon dioxide and air is added to the secondary reformer to further shift the reaction and provide the nitrogen needed for syngas;
- (c) shift, where gas from reforming is passed through additional beds of catalyst where carbon monoxide is shifted to carbon dioxide;

- (d) carbon dioxide removal, where carbon dioxide is removed from the gas stream by absorption and stripping;
- (e) methanation, where unreacted carbon monoxide and carbon dioxide which are poisonous to the ammonia catalyst are reacted with hydrogen to form methane; and
- (f) synthesis, where syngas is compressed and passed through a converter containing catalyst in order to produce ammonia.

Dated this 9th day of July, 2002.

A. LEUNG WOO-GABRIEL
Secretary to Cabinet