

LEGAL NOTICE NO. 90

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 (TITAN METHANOL COMPANY
TRINIDAD LIMITED) ORDER, 1997

1. This Order may be cited as the Fiscal Incentives (Titan Methanol Company Trinidad Limited) Order, 1997. Citation

2. Titan Methanol Company Trinidad Limited, a company incorporated in Trinidad and Tobago (hereinafter referred to as “the Company”) is declared an approved enterprise in respect of the product methyl alcohol (methanol) (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 August, 1999 (hereinafter referred to as “the production day”). Declaration of approved enterprise and approved product

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

- (a) total relief from corporation tax in relation to the approved product;
- (b) total relief from customs duty in relation to the approved product;
- (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, 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.

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

Obligations imposed on approved enterprise Schedule

- 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) Desulphurization: the feedstock is routed through zinc oxide beds where hydrogen sulphide is absorbed;
- (b) Steam reforming of hydrocarbons: hydrocarbons and steam are catalytically converted into hydrogen and carbon oxides;
- (c) Autothermal catalytic reforming: autothermal processes produce the heat required for gasification through partial combustion of the feed gas to be converted in the reactor;
- (d) Methanol synthesis: methanol is synthesized from hydrogen, carbon monoxide and carbon dioxide in the presence of a highly selective copper based catalyst;
- (e) Methanol distillation: a distillation unit will remove the impurities in order to achieve the desired methanol purity specification.

Made this 25th day of April, 1997.

A. LEUNG WOO-GABRIEL
Acting Secretary to Cabinet