

LEGAL NOTICE No. 144

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 (AIR LIQUIDE TRINIDAD AND  
TOBAGO LIMITED) ORDER, 2003

1. This Order may be cited as the Fiscal Incentives (Air Liquide  
Trinidad and Tobago Limited) Order, 2003. Citation

2. Air Liquide Trinidad and Tobago Limited, a company  
incorporated in Trinidad and Tobago (hereinafter referred to as “the  
Company”) is declared an approved enterprise in respect of the product  
oxygen (hereinafter referred to as “the approved product”) to be  
manufactured at its plant at the Point Lisas Industrial Estate, Point  
Lisas, with effect from 1st January, 2000 (hereinafter referred to as  
“the production day”) for a period not extending beyond that approved  
for the grant of fiscal incentives in respect of Titan Methanol Company,  
that is to say, for the period ending 31st July, 2004. Declaration of  
approved  
enterprise  
and approved  
product

3. The Company, classified as a highly capital intensive enterprise,  
is granted for a period of four years and seven months 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 during the tax holiday period.

4. The Company shall—

- (a) undertake locally or cause to be undertaken locally the  
minimum manufacturing processes set out in the First  
Schedule;

Obligations  
imposed on  
approved  
enterprise  
First  
Schedule

Second  
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) comply with the conditions set out in the Second Schedule;
- (e) observe the practice and policy prevailing in Trinidad and Tobago as regards labour relations and conditions of employment; and
- (f) comply with the requirements of the Environmental Management Authority on the environmental codes of conduct for the industry.

Revocation of  
Legal Notice  
No. 223 of  
1998

5. The Fiscal Incentives (Messer Trinidad and Tobago Limited) Order, 1998 is revoked.

FIRST SCHEDULE

[Paragraph 4(a)]

MINIMUM MANUFACTURING PROCESSES

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

(a) air compression and contaminant removal:

Ambient atmospheric air is brought into the suction of an air compressor via a suction filter to remove dirt and particular matter. The air is compressed in a three or four stage centrifugal compressor with intercooling between each stage. The final outlet pressure is approximately 100 psi. After the final stage of compression, the air is cooled to ambient temperature against cooling water to remove heat of compression, and further cooled by mechanical refrigeration or waste refrigeration from the air separation unit to condense a major portion of the water contained in the air. The condensed water is removed in an entrainment separator and the air is then fed to a molecular sieve drier for final water and contaminant removal;

(b) air cooling and distillation:

- (i) the air leaving the molecular sieve system enters the air separation cold box where it is cooled to cryogenic temperature against cold gaseous product streams. The cold air then enters the bottom of the high distillation column. As air passes up through the trays the less volatile oxygen is condensed out by liquid reflux passing down the column. A crude liquid oxygen stream is produced at the bottom of the high pressure column which is subcooled against waste and product nitrogen and used to reflux the low pressure column;

- (ii) the majority of the pure nitrogen from the top of the high pressure column is condensed by boiling pure liquid oxygen in the low pressure column. The condensed nitrogen is used to reflux the high and low pressure columns;
- (iii) the low pressure column operation is similar to the high pressure column; however, two pure products are obtained from this column. Pure nitrogen is produced from the top and pure oxygen from the bottom. The oxygen product can be withdrawn in either a gaseous state or a liquid state for transfer to storage.

SECOND SCHEDULE

[Paragraph 4(d)]

CONDITIONS ATTACHED TO THE GRANT OF CONCESSIONS

1. The relief granted in paragraph 3 shall relate only to the approved product manufactured by the Company and sold to Titan Methanol Company for use in its production process at its plant on the Point Lisas Industrial Estate.
2. The ratio to be applied to corporation tax (consequent on the fact that the initiative would be granted only in respect of that portion of the output that is supplied to Titan Methanol Company) to be similarly applied to withholding tax on dividends to non-residents.
3. The Company shall ensure that at least fifteen per cent of the cost of construction of its plant is derived from local content.

Made this 28th day of August, 2003.

A. LEUNG WOO-GABRIEL  
*Secretary to Cabinet*