

LEGAL NOTICE NO. 210

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 [METHANOL HOLDINGS
(TRINIDAD) LIMITED] ORDER, 2003

1. This Order may be cited as the Fiscal Incentives [Methanol
Holdings (Trinidad) Limited] Order, 2003. Citation

2. In this Order—

“Act” means the Fiscal Incentives Act;

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

Interpretation

Chap. 85:01

3. Methanol Holding (Trinidad) Limited, a company duly
incorporated in Trinidad and Tobago (hereinafter referred to as “the
Company”) is declared to be an approved enterprise in respect of the
product, methanol (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 January, 2004
(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 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; 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) desulphurization, where natural gas feedstock is passed through a desulphurizer to remove any traces of sulphur;
- (b) reforming, where the desulphurized natural gas is fed to the reformer to obtain synthesis gas;

- (c) synthesis gas compression, where the synthesis gas is compressed and sent to the methanol reactor;
- (d) methanol synthesis, where the compounds in the synthesis gas combine in the reactor to form crude methanol; and
- (e) methanol purification, where crude methanol is purified using fractioning columns.

Dated this 4th day of December, 2003.

A. LEUNG WOO-GABRIEL
Secretary to Cabinet