

**APPLICANT & PROJECT NAME:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Period:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Note:**

* Refer to Section 12I of the Income Tax Act 1962 (Act No. 58 of 1962), specifically paragraph 11 and 12 and the Regulations as promulgated in Government Gazette number 33385 of 23 July 2010
* Each page of the application form and all the accompanying documents must be initialled
* All sections of this form must be completed by an authorised official of the applying project.
* **Do not** staple or bind (ring bind, heat bind etc) this document or any attachments

Please return completed forms by courier or hand to:

Secretariat: Section 12-I Tax Allowance Programme

The Enterprise Organisation 2nd Floor, Utangamiri Building, **the dti** Campus

## Private Bag X86 77 Meintjies Street, Sunnyside

Pretoria 0001 Pretoria

For more information contact:

Telephone:

Fax:

E-mail:

Website: [www.thedti.gov.za](http://www.thedti.gov.za)

PROGRESS REPORT

**SECTION 12I TAX ALLOWANCE PROGRAMME (INDUSTRIAL POLICY PROJECTS)**

DATE STAMP OF RECEIPT

**ANNUAL PROGRESS REPORT**

**For the period …../…../20….. to …../…../20…..**

###### APPLICANT CONTACT DETAILS

|  |
| --- |
| Name of business (a registered name):  Business registration number: Income tax number:  Financial year-end:  Physical address for the serving of legal documents and other notices:    Postal address:  Code  Contact person: Position:  Contact details: Tel ( ) Fax ( )  Cell ( ) Email: |

###### CONSULTANT CONTACT DETAILS

|  |
| --- |
| Name of business (a registered name):  Business registration number: Income tax number:  Financial year-end:  Physical address for the serving of legal documents and other notices:    Postal address:  Code  Contact person: Position:  Contact details: Tel ( ) Fax ( )  Cell ( ) Email |

###### REGISTERED EXTERNAL AUDITOR

|  |
| --- |
| Name of business (a registered name):  Contact person: Registration number:  Representative body:  Postal address:  Code  Contact details: Tel ( ) Fax ( )  Cell ( ) Email: |

###### OWNERSHIP STRUCTURE AND SOURCES OF FINANCE FOR THE PROJECT

| **Shareholder/member/ owner(s)** | **Equity (R 000)** | **% Equity** | **Country of Domicile** |
| --- | --- | --- | --- |
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###### LOCATION OF PROJECT

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Physical / street address of the project |  | | | |
| Name of proclaimed industrial township /suburb |  | | | |
| City / Town |  | | | |
| Located in an Industrial Development Zone | YES 🡺 |  | NO 🡺 |  |
| Province |  | | | |

###### PRODUCTION DATE

|  |  |  |
| --- | --- | --- |
| Description | Envisaged date | **Actual date** |
| Production start date (when assets are brought into use) |  |  |
| Date of commercial production (when production capacity >=50%  Capacity >= 50%\* |  |  |

\*Please provide a copy of Engineers Ready for Commissioning report

###### IS THE PROJECT RELATED TO OTHER DTI INCENTIVE PROJECT(S)?

|  |  |
| --- | --- |
| Name of DTI incentive project | **Nature of relationship** |
|  |  |

###### PROVIDE A DESCRIPTION OF THE PRODUCT(S) AND PROCESS(ES)

|  |  |  |  |
| --- | --- | --- | --- |
| Product(s) | Process(es) | SIC code | % of total Turnover |
|  |  |  |  |
|  |  |  |  |

###### HAS ANY PROCESS OR PRODUCT CHANGED SINCE THE DATE OF APPROVAL? IF YES PROVIDE DETAILS.

|  |
| --- |
|  |

###### PROJECT PLAN & BUDGET

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Activity description | %  Complete | Estimated duration in months | Months ahead or  behind  schedule | Starting  Date | Finishing  Date | Actual cost |
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**TOTAL ASSETS INVESTED IN THE PROJECT TO DATE OF THIS REPORT**

| **Description of Asset** | **New or Used?** | **Sourced Locally**  **or Imported (indicate country)** | **Date on which the assets have been acquired, contracted for** | **Date on which more than 50% assets will be brought into use** | **Date on which all the assets will be brought into use** | **Are the assets being acquired/ contracted from connected person(s)?**  **If yes, provide details** | **Total cost of assets** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Plant and machinery:** | | | | | | | |
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| Sub-total | | | | | | |  |
| **Buildings:** | | | | | | | |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Sub-total | | | | | | |  |
| **All other assets (non-qualifying):** |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
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| Sub total | | | | | | |  |
| **Total assets (cost as per balance sheet)** | | | | | | |  |

###### MARKETS TO WHICH THE PROJECT IS SELLING AND THE SALES IF THE PROJECT IS IN OPERATION

|  |  |  |
| --- | --- | --- |
| **List markets** | **Unit of measure** | **Current data**  **20\_\_\_** |
| South Africa | Volume |  |
| Rand Value (R) |  |
| Export Markets, *List:* | Volume |  |
|  | Rand Value (R) |  |
|  | Volume |  |
|  | Rand Value (R) |  |
|  | Volume |  |
|  | Rand Value (R) |  |
|  | Volume |  |
|  | Rand Value (R) |  |

**INNOVATIVE PROCESSES**

Demonstrate the material significance of your product(s) or process(es) in terms of production time, quality, longevity and reduced cost:

|  |  |
| --- | --- |
| Production Time |  |
| Quality |  |
| Longevity |  |
| Reduced Cost |  |

Please provide any additional information that may proof the innovative nature of the technology used/ to be used:

|  |
| --- |
|  |

**ENERGY EFFICIENCY**

Please provide the planned and actual energy savings in the table below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | ***Period of Measurement*** | ***Energy Used/Usage (kWh/mMh)*** | ***Total Utility Cost*** | ***Number of Units produced*** |
| **Baseline** | 12 months prior to application |  |  |  |
| **Planned Energy Efficiency Savings** |  |  |  |  |
| **% Reported Savings** |  | **%** |  |  |
| **Actual Energy Efficiency Savings** |  |  |  |  |
| **% Reported Savings** |  | **%** |  |  |
| **Final audited Savings (SANEDI)** |  |  |  |  |
| **% Reported Savings** |  | **%** |  |  |

**IMPORTANT NOTE:** Please attach the SANEDI energy efficiency certificate confirming the above information**.**

Provide a short summary below of the most important measures/technology implemented or to be implemented that would result in the energy efficiency savings indicated above**.**

|  |
| --- |
|  |

**BUSINESS LINKAGES**

| Criteria | **Details** |
| --- | --- |
| Product previously imported  (More than 60% imported) |  |
| Exports |  |
| Is there a shortage in SA? |  |
| Will output of project improve efficiency of industrial cluster |  |
| Flexibility of raw materials &  Availability in SA |  |
| Contribution to global competitiveness:  a) Scope of investment to produce similar goods in SA  b) How will the project contribute to the global competitiveness of downstream users in South Africa relative to their international competitors, in particular with respect to a comparison between the price they face in the domestic market in relation to comparable prices in the project's major export markets. |  |
| Competition  Please provide full details on any investigations and findings by competition authorities either in South Africa or in other jurisdictions in relation to the company as and in particular in relation to the specific products that the project will produce and sell. |  |
| Related industries and institutions involved with the project |  |
| Pricing Practices  a) Provide a detailed elaboration of the pricing methodology by which sales prices for the domestic market are arrived at;  b) Provide a detailed elaboration of the pricing methodology by which sales prices for major export markets are arrived at;  c) What has the actual selling price per product in the domestic market over the last three years been and the projected selling price over the coming year;  d) What has the actual selling price per product in major export markets over the last three years been and the projected selling price over the coming year. |  |
| Distribution Channels  Provide detailed information on domestic distribution channels used or to be used including a breakdown of direct sales of the products to the final customer versus intermediate sales through agents or traders. |  |

###### 

###### SMME PROCUREMENT

* Where SMME’s have been contracted, provide details below.
* Please complete the last table below to show the SMME to Total Procurement %

|  |  |  |
| --- | --- | --- |
| **List raw materials** | **Suppliers** | **Actual Cost from SMME’s** |
|  |  |  |
|  |  |  |
|  |  |  |
| **Subtotal: Raw materials** | | R |

|  |  |  |
| --- | --- | --- |
| **List intermediate products** | **Suppliers** | **Actual Cost from SMME’s** |
|  |  |  |
|  |  |  |
|  |  |  |
| **Subtotal: Intermediate products** | | R |

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| --- | --- | --- |
| **List services** | **Suppliers** | **Actual Cost from SMME’s** |
|  |  |  |
|  |  |  |
|  |  |  |
| **Subtotal: Services** | | R |

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| --- | --- | --- |
| **Cost of procurement from SMME’s**  **(Total from the above tables)** | **Total cost of ALL procurement**  **(SMME + Other procurement)** | **% SMME procurement** |
| R | R | % |

**DIRECT AND INDIRECT EMPLOYMENT**

|  |  |
| --- | --- |
| **a) Full time direct employment** | **Average for current year** |
|  |  |
|  |  |

|  |  |  |
| --- | --- | --- |
| b) Indirect employment (please indicate under “Motivation” how this figure(s) were calculated) | | |
| Description | Total | Motivation |
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###### SKILLS DEVELOPMENT

Please provide the latest skills development plan in the table below (If space is insufficient, kindly attach an annexure):

| **Post / Position / Occupation** | **NQF**  **level** | **No of trainees** | **Full time or Part time** | **Training Period (days/**  **weeks/**  **months)** | **Internal (on the job) or External training Act: refer to par 1a-b** | **External training**  **(course /**  **training provider) connected /non connected party**  **Act: refer to par 1c** | **SAQA Accredited or equivalent**  **(Yes or No)**  **Provide details** | **Cost in**  **Rand** | **Remarks**  **Notes**  **Additional information**  **Type of skill / training** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| E.g. Supervisor | 4 | 18 | Full time | 3 weeks | Internal |  | Yes. xxxxxx |  | Advanced assembly line supervisor |
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###### SUMMARY OF TRAINING EXPENDITURE AS A % OF THE CURRENT FINANCIAL YEAR WAGE BILL

|  |  |  |  |
| --- | --- | --- | --- |
| **Expenditure on SAQA approved training** | **Expenditure on equivalent training** | **Total Salary & Wages** | **Training Cost % of wage bill** |
|  |  |  |  |
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###### ALLOWANCE UTILISATION

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Investment Allowance** | **Training Allowance** | **Total** |
| Allowance approved (R) |  |  |  |
| Less: Allowance already deducted for 2018 |  |  |  |
| Less: Allowance already deducted for 2019 |  |  |  |
| Less: Allowance already deducted for 2020 |  |  |  |
| Less: Allowance already deducted for 2021 |  |  |  |
| Less: Allowance already deducted for 2022 |  |  |  |
| Less: Allowance already deducted for 2023 |  |  |  |
| Net allowance available |  |  |  |

###### DECLARATION BY APPLICANT

NOTE: The information submitted in this progress report will be used to compare projections from the application form with actual/current information. If the facts upon review differ from the information provided in the application form, to the extent that requirements regarding 12I of the Income Tax Act are no longer met, any allowance granted with respect to this application may be revoked/ reclaimed.

I hereby declare that the information in this progress report is a fair and true reflection of the project and that all relevant information has been disclosed

**NOTE: If an independent consultant completes the progress report, the applicant must ensure that the information provided is correct before signing the progress report. If at a later stage it transpires that information is not correct, the applicant will be held solely responsible for misrepresentation and the Department of Trade and Industry reserves its right to institute legal action.**

**SIGNED CAPACITY**

(Signature of Managing Director of the entity in terms of the attached resolution of the Board members)

**DATE NAME IN PRINT**

###### AUTHORISATION OF CONSULTANT ACTING ON BEHALF OF APPLICANT:

The Board of Directors/ owner(s) of (name of business)

hereby declare that (name of consultant),

in his/her capacity as (position and name of consultant business)

was appointed as consultant for the purposes of preparing and lodging a progress report.

Signed at on this day of 20 .

**SIGNATURE OF DIRECTORS/ OWNER(S): NAMES IN FULL:**

**SIGNATURE OF CONSULTANT: NAME OF BUSINESS:**

###### DECLARATION BY CONSULTANT ACTING ON BEHALF OF APPLICANT

I, (name of consultant), a (position)

of (name of business) hereby declare that the information compiled by myself in completion of this progress report on behalf of (name of applicant), is a true and accurate reflection of the affairs of the applicant. Furthermore, I am aware of all the contents of this progress report.

Signed at on this day of 20 .

**SIGNATURE OF CONSULTANT: NAME OF BUSINESS:**

**DECLERATION BY THE EXTERNAL AUDITOR**

**NAME** ………………………………………………………**REGISTRATION NUMBER** ………………………………

**POSTAL ADDRESS**

I hereby declare that the information submitted with this progress report is true and fair and I have initialled each page of his form to this effect. I declare that the financial statements used to prepare the report are the same as those submitted to South Africa Revenue Services.

**SIGNATURE**……………………………. **DATE**……………………

|  |
| --- |
| PLEASE ATTACH THE FOLLOWING DOCUMENTS |

|  |  |
| --- | --- |
| **Please check if the documents are included before submitting the progress report.** | ***x*** |
| * Valid tax clearance certificate(s). |  |
| * CM22 form: notice of registered office and addresses |  |
| * Certificate of change of registered name |  |
| * Letters of appointment of acting as an agent (where an agent completes the application on behalf of the applicant). |  |
| * Audited annual financial statements. |  |
| * Energy Efficiency certificate issued by **SANEDI** |  |