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Tax Incentives and Performance of Bakery Businesses in Ilorin Metropolis

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Abstract

This study examines tax incentives and the performance of bakery businesses in Ilorin Metropolis, Kwara State. Certain tax policies have been developed to promote enterprise growth but have not yet been fully exploited by many small businesses due to the lack of accessibility and effectiveness. The population of the study was 138 registered bakery businesses in Ilorin Metropolis. Taro Yamane's formula was utilized to determine the sample size, which produced a sample size of 103. The structured questionnaire was used as the primary data collection instrument. Simple random sampling was used because it gave every bakery owner an equal chance of being selected for the study, therefore providing better representation and reliability of the data obtained. Multiple linear regression was used for the test of hypotheses with the aid of SPSS version 27. Findings of the study established that tax relief has a positive and significant effect on business expansion of bakery businesses ($b = 0.574$, $t = 14.885$, $p < 0.000$), and capital allowance also has a significant positive effect on business expansion ($b = 0.612$, $t = 16.683$, $p < 0.000$). The study concluded that tax incentives are important drivers of business expansion among bakery businesses in Ilorin Metropolis. Based on the study, the study recommended that tax authorities should enhance implementation of tax relief policies and increase awareness and availability of capital allowance policies for bakery businesses to encourage their growth and expansion.

Keywords: business expansion, capital allowance, performance, tax incentives, tax relief

I. Introduction

Governments have increasingly relied on tax incentives to promote business growth and help boost the economy's activities. In Nigeria, fiscal policies are frequently enacted to ease the burden on companies and to foster investment and productivity. Businesses that have strong tax policies benefit, and they may be able to keep a bigger share of their profits, which can be used to boost their business operations and build production capacity. This is especially true for small and medium enterprises, which often have limited financial resources to manage and are required to ensure a few operational costs are covered at a given time (Chika, 2024; Amaefule et al., 2025).

Tax relief can influence the performance of businesses by reducing the amount of tax obligations placed on enterprises. Fewer taxes means that more money can be left in the business to help it run and to keep production going. The profitability of bakery enterprises is mainly dependent on their capacity to control the costs of raw materials, energy supplies, equipment maintenance, and labor. These costs can impact the profitability of any bakery business, especially for small bakery businesses in competitive markets. If tax relief policies exist, the tax relief can provide extra funds that will enable the bakery operator to allocate the resources more effectively in his production processes (Farida & Setiawan, 2022; Kukoyi et al., 2022).

Capital allowance is one of the key fiscal measures that could affect investment in productive assets of businesses. Machinery and equipment are essential factors in production businesses in order to be efficient and sustain their operations day-to-day. It takes specialized machinery, including ovens, mixers, and generators, to ensure consistent production for bakery enterprises. The cost of such equipment can be prohibitive, especially for smaller businesses, hindering their growth. Capital allowance policies provide businesses with a chance to recover some of the costs of their investment in productive assets in the form of tax deductions and, therefore, lower the effective cost of such investment. Access to these fiscal measures brings businesses flexibility in investing in further equipment or upgrading their equipment (Vaz, 2021; Zubairu et al., 2025).

The performance of a business shows how well the business can meet its financial and business objectives in a competitive environment. Performance is often linked to the capacity to be profitable

and to grow the enterprise with time for small production units like bakery businesses. Profitability is a measure of the ability of the firm to produce financial returns from its production activities, whereas its business expansion can be measured as an increase in its production output, in its acquisition of assets, or in its market reach. The management of available resources and the ability to react to economic fluctuations are often essential for achieving high performance (Kolawole & Festus, 2021; Unachukwu & Chukwujama, 2026).

The knowledge and availability of tax relief provisions to bakery operators have an impact on their profitability. Tax relief schemes aim to ease tax costs for businesses and encourage the sustainability of enterprises, yet many small bakery businesses are not aware of the tax relief policies available or don't have the information they need to access them. Furthermore, the weak implementation of tax relief policies for small businesses has a negative impact on the profitability of bakery businesses, with many of them having a high tax burden despite having limited capital resources (Ekwere et al., 2022; Sweetwilliams et al., 2023; Amaefule et al., 2025).

Likewise, bakery expansion relies heavily on the ability of the operators to invest in productive assets and in modern production equipment. Many bakery operators, however, do not have the production capacity because of the high cost of bakery production equipment, including industrial ovens, mixers, proofers, and power generators. The limited financial capacity of bakery operators also limits the ability to take effective advantage of capital allowance provisions, which has a negative impact on business expansion (Zubairu, et al., 2025; Oladejo, et al., 2024; Amaefule, et al., 2025). Although there are several fiscal policies in place to stimulate enterprise development, little attention has been paid to the impact of fiscal measures on bakery business performance in the local urban markets. This study aims to investigate the impact of tax incentives on the performance of bakery businesses in the Ilorin metropolis. While the specific objectives are to examine the effect of tax relief on business expansion of bakery businesses in Ilorin Metropolis and to assess the effect of capital allowance on business expansion of bakery businesses in Ilorin Metropolis. Hence, the research questions and hypotheses are formulated in accordance with the research objectives.

II. Literature Review

A. Tax Incentive

Sun et al. (2025) defined tax incentives as government-endorsed decreases in taxes to incentivize capital investment and industry growth. These incentives serve as economic support mechanisms, helping to lower the cost of the businesses and help stabilize their cash flow. Deyganto (2022) claimed that tax incentives have the effect of creating a more sustainable business by reducing the statutory tax burden and leaving more capital in the business to reinvest. Firms are then more likely to deploy funds to productive activities and long-term strategic planning, rather than making compulsory tax payments. In capital-intensive industries like the bakery sector, which rely heavily on equipment such as ovens, mixers, and generators, the incentives provided, such as capital allowances, can have a substantial impact on the decision to acquire productive assets and enhance operational efficiency (Essiet & Paago, 2024; Amaefule et al., 2025). Tax relief and capital allowance are used as proxies for tax incentives in this study.

Tax relief is a reduction in the amount of tax that a business is legally obliged to pay, provided by the government as part of its fiscal policy to encourage economic activities and business sustainability. Ekwere et al. (2022) explain that tax relief can boost the financial health of SMEs, allowing for better cash flow and less stress on operations. Reducing required tax payments allows businesses to invest more resources in production, marketing, and training their workers. In a similar vein, Kolawole and Festus (2021) pointed out that tax relief is an incentive tool that promotes business continuity and reinvestment, especially in developing economies where small and medium entrepreneurs are constrained in their access to capital. For firms like bakery companies, where costs encompass raw materials, electricity, and equipment upkeep, tax relief can be a game-changer, boosting profitability and financial stability.

Capital allowance is an allowance that the business can claim on capital expenditures of plant, machinery, and equipment that is used in production for a long period of time. Capital allowance is an

incentive that lowers the effective cost of making capital investments in a business and enhances its internal financing strength to encourage industrial development (Zubairu et al., 2025). It can help companies recoup a portion of their investment by claiming tax deductions, which improves cash flow and aids reinvestment choices. In the same way, Chika (2024) defined capital allowance as fiscal measures aimed at encouraging productive investment through the framework of tax deductions for qualified capital assets. Capital allowance is a key factor in acquiring or upgrading equipment in capital-intensive industries like bakery businesses, which rely heavily on ovens, mixers, generators, and delivery trucks.

B. Performance of Bakery Businesses

Performance, according to Mahamoud et al. (2025), is the way an organization utilizes its resources to achieve its goals and objectives; it is essential since it creates the level of effectiveness of the organization. Performance is the measure of the success or failure of a business, largely dependent on the effective management of its production processes and the ability to provide quality products to customers. According to Drago et al. (2022), businesses are in a dynamic environment and need to plan strategically to sustain competitive advantage over their competitors. This is especially true for bakery businesses, where raw material price volatility, rising energy costs, and stiff competition in the market pose significant hurdles. For production-based firms, one of the challenges that frequently confronts problem managers is to maximize output while keeping costs and product quality under control over time (Robinson et al., 2025). In this study, performance of bakery businesses is proxied using business expansion.

Business expansion is the growth of a business' operations, whether via production capacity, acquisition of additional assets, opening new branches, or expansion of employees. It's a measure of a business' capability to grow its operations beyond their current scope. There are three ways that expansion can be achieved: new equipment, new markets, and diversifying product lines. Vaz (2021) states that growth in a firm is achieved by the effective use of internal resources and managerial skills. Likewise, Keelson et al. (2024) defined business expansion as an intentional growth in the size of a business to enhance market share and competitive advantage. When a bakery business grows, this growth may be a result of buying more ovens and mixers, increasing daily production, hiring more employees, or opening up new sales locations. Financial capacity is an important factor in supporting expansion decisions (Farida & Setiawan, 2022; Alshehadeh et al., 2024).

C. Theoretical Review

The resource-based theory developed by Wernerfelt (1984) and extended by Barney (1991) is the theory underlying this study. The theory suggests that the success of a company is based on how well it can obtain, manage, and effectively use valuable internal resources. The theory states that companies perform better when they have valuable, rare, inimitable, and organized resources. In the theory, organizational success is not only a result of external environmental situations, but it is also greatly influenced by the strength and effective use of internal resources. The resource-based theory focuses on the importance of financial capital, physical resources, and managerial skills as factors in profitability and growth. Performance is, hence, considered the consequence of the effective management and utilization of the resources available to a firm to create a competitive advantage (Sweetwilliams et al., 2023; Zubairu et al., 2025). The theory is of relevance to the bakery business in Ilorin Metropolis because the business is a resource-constrained and production-intensive environment. There is a significant amount of investment needed for bakery plants and equipment, including ovens, mixers, and generators. Tax measures like tax relief and capital allowances enhance the internal financing capacity of these companies by lowering taxes owed. Tax relief and capital allowances are tax measures that boost the IFC of these companies by reducing taxes payable, which contributes to their growth. This reduction not only increases the amount of retained earnings, but it also gives the firm greater liquidity, which will improve its ability to invest in productive assets and expand its operations. The core tenets of the theory have to do with the difference in the resources

possessed by firms and the link between their use of resources and actual results. But resource-based theory has been criticized for its less attention to external environmental factors and its assuming that the possession of a resource is enough to give a competitive advantage to an organization (Essiet & Paago., 2024; Iliyas & Barca, 2025).

D. Empirical Review

Obafemi et al. (2021) studied the effect of tax incentives on the growth of SMEs in Kwara State. This study used a descriptive design, and primary data were collected on the variables that contribute to tax influence and the influence of tax on the growth of SMEs. Stratified and simple random sampling techniques were used to select a sample of 260 respondents, which represented a percentage of the targeted population of enterprises in the production sector of the Kwara State industrial area. The data obtained from the questionnaires, interviews, and observation as needed were analyzed by the ordinary least squares regression model to estimate the contribution of each variable to the growth effect of SMEs. The study found that there was a significant correlation between taxation and SMEs' growth. The study recommends that there should be a friendly tax policy for all start-up businesses, preferably a tax holiday or an introduction of a growth limit, which can be said to be a level stable enough to sustain tax payment.

Kukoyi et al. (2022) examined the taxes and levies imposed on tourism and hospitality companies in Ogun State, Nigeria, in order to highlight their impact on productivity among these companies. The study adopted the survey research method. A total of 272 customers and 72 managers and accountants from the selected companies were obtained using availability and purposive sampling techniques, respectively, from the study population. Purposive sampling was used to determine three key informant interviewees from the tax collecting authorities. Content analysis was used to analyze qualitative data, and simple percentages and chi-square ($p \leq 0.05$) were used for quantitative data analysis. Findings revealed that about 11 taxes were levied on tourism and hospitality firms, and hotels were found to be the sub-sector levied with the highest number of taxes. It was also revealed that all 3 tiers of government collect taxes separately, and some were for a similar purpose, which implies the possibility of multiple taxations. Further investigation showed that taxes on tourism and hospitality companies have a significant impact on prices of goods and services provided ($p = 0.019$). Furthermore, tourism and hospitality firms' productivity is significantly related to taxes imposed ($p = 0.011$). The study has found that tax directly affects the productivity of the tourism and hospitality firms; hence, it recommends reducing the existing taxes on tourism and hospitality firms to eliminate multiple taxation, which will improve the productivity of the firms in the sector of the tourism and hospitality industry.

Essiet and Paago (2024) studied the relationship between tax incentives and financial performance in Rivers State. Nine research questions and hypotheses were used in this study. This research used a descriptive survey research design. The population of this study was two thousand, six hundred and thirty-four (2634), and the sample size was one hundred and fifty (150) knowledgeable and competent staff of the selected small- and medium-scale enterprises in Rivers State. The study employed a questionnaire instrument, and data analysis was carried out using the SPSS software version 22. The research questions were analyzed with the aid of mean and standard deviation, while the hypotheses were tested with the use of simple bivariate regression analysis at the .05 level of significance. Results of these findings indicated that the correlation is very strong and positive with capital allowance and also between investment allowance and financial performance and tax holiday and financial performance, and this indicated a strong positive significant relationship. It can be recommended that small- and medium-scale enterprises adopt and follow the provisions of tax laws to avail themselves of the applicable tax incentives for them to sustain a high level of efficiency and net profit margin and capacity to perform well. Small and medium-scale enterprises should strengthen their database security mechanism, as this is one of the major drivers in increasing financial performance.

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Amaefule et al. (2025) studied the impact of tax policies and incentives on manufacturing firms' productivity in Ogun State, Nigeria. Industrialization, job creation, and economy diversification are all associated with the manufacturing sector, which is hindered by the various taxation policies applied, the high cost of compliance, and the inconsistent implementation of policies. The study employs stakeholder and Laffer curve theories to discuss the effects of company tax revenue, value-added tax, tax on education, and tax incentive schemes like tax holidays and pioneer status benefits on the performance of companies. This is a descriptive survey research design in which 400 workers in the selected manufacturing companies, including Dangote Cement Plc., Nestlé Nigeria Plc., etc., were surveyed. Descriptive statistics and multiple regression were used to analyze the data. The results indicate that there are important and statistically significant impacts of inefficient tax policies and high compliance costs on the productivity of firms, whereas tax incentives and the efficiency of tax administration have only limited impacts and are statistically insignificant. The evidence is consistent with a paradox in that productive increases are likely to be less successful in the fiscal arena than at the firm level. The study therefore concluded that tax system harmonization, burden reduction of compliance, and tax transparency in the management of incentives are important steps towards industrial development in Ogun State. The policy relevance emphasizes the need for reforms in balancing revenue collection and sustainability of productivity.

Unachukwu and Chukwujama (2026) investigated the effect of tax incentives on the performance of Nigerian consumer goods companies from 2010 to 2024. Specifically, this study aimed to determine the extent to which tax relief, capital allowance, investment allowance, and balancing allowance affect the return on assets of consumer goods companies in Nigeria. Four research questions were developed, and the four hypotheses were tested at the 0.05 level of significance. The relevant conceptual, theoretical, and empirical literature was reviewed. This study was anchored on the normative theory of tax incentives. An ex-post-facto research design was adopted. The study population comprises of the entire 21 consumer goods companies on the floor of the Nigerian Exchange Group. Six consumer goods companies were purposively selected for this study. Secondary data were sourced from the annual reports of the sampled consumer goods companies. Descriptive statistics, correlation analysis, and regression analysis were used to analyze the data. The study found that tax relief, capital allowance, and investment allowance have a significant effect on consumer goods companies' return on assets in Nigeria. The study also found that balancing allowance had no significant effect on consumer goods companies' return on assets in Nigeria. Based on the foregoing, the study concludes that tax incentives have a significant positive effect on the performance of CG companies in Nigeria. The study recommends, among others, that since tax relief has a significant positive effect on performance, the government should streamline and expand tax relief programs targeted at the consumer goods sector through the FIRS.

III. Methodology

This study adopted a survey research design to examine tax incentives and the performance of bakery businesses in Ilorin Metropolis, Kwara State, Nigeria. The population of the study comprised 138 registered bakery owners operating within Ilorin Metropolis, as obtained from the Ministry of Business, Innovation and Technology. These respondents represent registered tax-paying bakery businesses in Ilorin Metropolis. Taro Yamane's formula was used to determine the sample size which yielded a sample size of 103. Simple random sampling technique was employed to ensure that every registered bakery owner had an equal and independent chance of selection. Each owner was assigned a unique identification number, and a random number generator was used to select the required 103 respondents. This procedure minimized selection bias and enhanced the representativeness and reliability of the study findings. Primary data were collected through a structured closed-ended questionnaire. The instrument was measured on a 5-point Likert scale ranging from 1 = Strongly Agree to 5 = Strongly Disagree. The instrument was subjected to face and content validity by experts in taxation, accounting, and business management to ensure clarity, relevance, and adequacy of the items. Reliability of the instrument was tested using Cronbach's Alpha, and values exceeding 0.70 were considered acceptable, indicating internal consistency. Data were analyzed using multiple regression analysis with the aid of the Statistical Package for the Social Sciences (SPSS) version 27 to determine the effect of tax incentives on the performance of bakery businesses. The study strictly adhered to ethical standards, including voluntary participation, informed consent, anonymity, and confidentiality of respondents' information.

IV. Result and Discussion

A. Response Rate

Table 1 Analysis of Response Rate

Returned	100	97.8%
Unreturned	3	2.2%
Total	103	100%

Source: *Author's Fieldwork Computation, (2026)*

As shown in Table 1, 103 copies of the questionnaire were distributed to the respondents. Out of these, 100 copies, representing 97.8%, were duly completed and returned, while 3 copies, representing 2.2%, were not returned. The response rate is considered very high, indicating that the data collection process was effective and well-coordinated.

Table 2: Frequency Distribution of the respondents' Demographic Characteristics

Demographic Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	80	80.0%
	Female	20	20.0%
	Total	**100**	**100%**
Age	20–29 years	30	30.0%
	30–39 years	40	40.0%
	40–49 years	20	20.0%
	50 years and above	10	10.0%
	Total	**100**	**100%**
Educational Qualification	SSCE	50	50.0%
	ND/NCE	30	30.0%
	HND/B.Sc	20	20.0%
	Total	**100**	**100%**
Years of Experience	1–5 years	55	55.0%
	6–10 years	35	35.0%
	11 years & above	10	10.0%
	Total	**100**	**100%**

Source: *Author fieldwork computation (2026)*

Table 2 presents the demographic characteristics of the 100 bakery owners who participated in the study. The gender distribution shows that 80 respondents (80%) are male, while 20 respondents (20%) are female. This indicates that bakery business ownership in the sample is predominantly male, although female participation remains significant. In terms of age distribution, 30 respondents (30%) fall within the 20–29 years category, while the majority, 40 respondents (40%), are within the 30–39 years age bracket. Additionally, 20 respondents (20%) are between 40–49 years, and only 10 respondents (10%) are 50 years and above. This reveals that most bakery owners are within the economically active age group. Regarding educational qualification, 50 respondents (50%) possess SSCE qualifications, while 30 respondents (30%) hold ND/NCE qualifications, and 20 respondents (20%) have HND/B.Sc qualifications. This indicates that a significant proportion of bakery owners are relatively well-educated. With respect to years of experience, 55 respondents (55%) have between 1–5 years of experience, making it the dominant category. In addition, 35 respondents (35%) have 6–10 years of experience, while only 10 respondents (10%) have over 10 years of experience. This distribution shows that most bakery owners have moderate industry experience, with relatively few having long-term operational exposure.

B. Test of Hypothesis

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.668a	.446	.443	1.318

a. Predictors: (Constant), tax relief and capital allowance
Source: SPSS Output (2026)

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As shown in Table 3, the regression model examining the relationship between tax relief and capital allowance demonstrates strong explanatory power. The correlation coefficient (R) of 0.668 indicates a strong positive relationship between tax relief and capital allowance among bakery businesses in Ilorin Metropolis. The R Square value of 0.446 reveals that tax relief and capital allowance explain approximately 44.6% of the variation in the dependent variable. The Adjusted R Square of 0.443 confirms that after adjusting for sample size, 44.3% of the variation in the dependent variable remains explained by tax relief and capital allowance. The Standard Error of the Estimate of 1.318 indicates moderate dispersion between observed and predicted values, suggesting acceptable model accuracy.

Table 4: ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	384.215	1	384.215	221.604	.000b
Residual	386.992	99	1.736		
Total	771.207	100			

a. Dependent Variable: business expansion
b. Predictors: (Constant), tax relief and capital allowance
Source: SPSS Output (2026)

As presented in Table 4, the ANOVA results show an F-value of 221.604 with a significance level of 0.000, indicating that the regression model is statistically significant. The regression sum of squares (384.215) represents the variation in business expansion explained by tax relief and capital allowance, while the residual sum of squares (386.992) represents unexplained variation. Since the significance value is less than 0.05, the model is statistically reliable in predicting business expansion among bakery businesses.

Table 5: Coefficients

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	T	Sig.
(Constant)	**1.274**	**.214**		**5.953**	**.000**
Tax Relief	.574	.039	.668	14.885	.000
Capital Allowance	.612	.037	.687	16.683	.000

a. Dependent Variable: business expansion
Source: SPSS Output (2026)

As shown in Table 5, tax relief and capital allowance have a positive and statistically significant effect on business expansion. The unstandardized coefficient (B = 0.574) indicates that a unit increase in tax relief and capital allowance leads to a 0.574 increase in business expansion. The standardized coefficient (Beta = 0.668) confirms a strong effect size. The t-value of 14.885 with a significance level of 0.000 further indicates strong statistical significance. Based on the results presented, the null hypothesis is rejected. Tax relief and capital allowance has a significant positive impact on business expansion among bakery businesses in Ilorin Metropolis.

V. Discussion of Findings

Based on the study's findings for Hypothesis One, the study established that tax relief has a positive and significant effect on business expansion among bakery businesses in Ilorin Metropolis, with an unstandardized coefficient (B) = 0.574, t = 14.885 ($p < 0.01$). This implies that the more bakery businesses benefit from tax relief, the greater their ability to expand business operations. Reduced tax burdens increase the amount of retained earnings available to bakery owners, enabling them to invest in additional equipment, increase production capacity, open new outlets, employ more workers, and improve operational efficiency. The standardized coefficient (Beta = 0.668) further confirms that tax relief is a strong predictor of business expansion. This finding is consistent with the study of Obafemi et al. (2021), who found that tax incentives significantly stimulate the growth and expansion of small and medium-sized enterprises through improved financial stability and increased reinvestment opportunities. Similarly, the findings of the study align with Kukoyi et al. (2022) who that tax relief policies enhance business growth by reducing operational costs and increasing funds available for productive activities. The finding also agrees with Essiet and Paago (2024), who observed that fiscal incentives contribute positively to enterprise expansion by easing financial constraints and encouraging investment in productive ventures.

Under Hypothesis Two, the study established that capital allowance has a positive and significant effect on business expansion among bakery businesses in Ilorin Metropolis, with an unstandardized coefficient (B) = 0.612, t = 16.683 ($p < 0.01$). This indicates that increased access to capital allowance leads to significant improvement in business expansion. Capital allowance reduces the effective cost of acquiring and maintaining fixed assets such as ovens, mixers, generators, delivery vans, and other production equipment. This motivates bakery operators to invest more in productive infrastructure, thereby increasing operational capacity and expanding market reach. The standardized coefficient (Beta = 0.687) confirms that capital allowance is a strong determinant of business expansion. This finding supports the work of Amaefule et al. (2025), who found that capital-related tax incentives encourage investment in fixed assets and enhance organizational growth. Likewise, Unachukwu and Chukwujama (2026) emphasized that investment-based fiscal incentives improve firms' productive capacity and long-term expansion opportunities. The finding also aligns with Sweetwilliams et al. (2023), who concluded that financial benefits derived from tax incentives strengthen business competitiveness and facilitate sustainable enterprise growth.

VI. Conclusion and Recommendations

Based on the findings of this study, tax relief has a positive and significant effect on business expansion among bakery businesses in Ilorin Metropolis. The study therefore concludes that tax relief is an important fiscal policy instrument that supports the growth and expansion of bakery enterprises. The study also concludes that capital allowance has a positive and significant effect on business expansion among bakery businesses in Ilorin Metropolis. Capital allowance reduces the effective cost of acquiring plant and machinery, thereby encouraging bakery operators to invest in productive assets such as ovens, mixers, generators, and delivery facilities.

Based on the findings of this study, the following recommendations were made:

i. Tax authorities should strengthen and sustain tax relief policies targeted at bakery businesses in order to support business expansion, improve operational capacity, and reduce financial pressure on operators.
ii. Tax authorities should improve awareness and accessibility of capital allowance schemes to ensure that bakery business owners effectively utilize investment-related tax incentives for expansion, modernization, and acquisition of productive assets.

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