

# TAX TRANSPARENCY INFORMATION FOR THE 2015-16 INCOME YEAR

December 2017

This document provides additional context to the Australian Taxation Office's (ATO) [report of entity tax information for the 2015-16 income year](#). This should be read in conjunction with the [ATO's published guidance material](#).

## Summary

- + As an **Australian oil and gas company** with approximately 3,500 employees, Woodside recognises the importance of stability, fairness and competitiveness in Australia's tax regime.
- + We acknowledge that the payment of tax is a significant way in which we contribute to the Australian community and supports our social licence to operate.
- + Woodside derives the majority of its income from the sale of petroleum products produced in Australia. The company pays tax in Australia on the profits made in relation to these sales.
- + Woodside paid approximately **\$700 million** in taxes in respect of the company's 2015-16 income year.
- + Woodside Petroleum Ltd operates under an **Annual Compliance Arrangement** with the ATO for income tax and Petroleum Resource Rent Tax (PRRT).
- + Woodside has adopted the Board of Taxation's voluntary **Tax Transparency Code** (TTC).

All amounts are denoted in Australian dollars, the currency in which Australian taxes are paid. Woodside's published consolidated financial statements are presented in US dollars, the company's reporting currency.

## Income Tax

Woodside's published income tax information is outlined in Table 1.

Company Name	ABN	Total income (\$)	Taxable income (\$)	Income tax payable (\$)
Woodside Petroleum Ltd	55 004 898 962	7,085,553,026	1,558,248,770	73,497,299
Burrup Facilities Company Pty Ltd	28 122 234 539	1,439,125,051	715,185,361	214,555,608
Burrup Train 1 Pty Ltd	77 122 234 306	2,390,630,849	435,913,303	128,999,569
<b>Subtotal</b>		<b>10,915,308,926</b>	<b>2,709,347,434</b>	<b>417,052,476</b>

Table 1 - Income tax summary for the year ended 31 December 2015 (in lieu of the year ended 30 June 2016)

- + Woodside Petroleum Ltd is the head company (and taxpayer) of the Woodside Australian tax consolidated group, which includes all of Woodside's wholly-owned Australian entities.<sup>1</sup>
- + Woodside holds a 90% interest in the other entities included in Table 1. The published figures relate to a 100% interest.
- + Woodside's effective income tax rate for the five years up to and including the year ended 31 December 2015 is, on average, near to the headline corporate tax rate of 30%.<sup>2</sup>

## Petroleum Resource Rent Tax (PRRT)

Woodside's published PRRT information is outlined in Table 2.

Company Name	ABN	PRRT payable (\$)
Woodside Energy Ltd	63 005 482 986	29,236,256

Table 2 - PRRT summary for the year ended 30 June 2016

- + Woodside Energy Ltd is the PRRT taxpayer for a number of Woodside's PRRT projects.
- + Refer to the Australian Petroleum Production & Exploration Association's (APPEA) [guidance material](#) for additional information relating to PRRT.

## Royalties and Excise

Outlined in Table 3 is the amount of royalties and excise payable by Woodside in relation to the North West Shelf (NWS) project for the year ended 30 June 2016.

This information is not included in the ATO's data release.

Company Name	ABN	Royalties payable (\$)	Excise payable (\$)
Woodside Energy Ltd	63 005 482 986	186,621,333	69,442,579

Table 3 - Royalties and Excise summary for the year ended 30 June 2016

- + Woodside has been subject to the Federal royalties and excise regimes since the NWS project commenced.
- + This has not changed since the extension of PRRT to the NWS project from 1 July 2012. The existing royalties and excise regimes continue to operate alongside PRRT.

<sup>1</sup> Woodside's published consolidated financial statements details the members of the Woodside Petroleum Ltd Australian Tax Consolidated group - refer note E.9(a) in the [2015 Annual Report](#) in respect of the year ended 31 December 2015.

<sup>2</sup> The effective income tax rate for the 2011, 2012, 2013, 2014 and 2015 income year is 30.5%, 27.2%, 29.8%, 30.1% and 49.8% respectively. This is calculated from Woodside's published consolidated financial statements for 2011 to 2015, as follows:  

$$\text{Effective income tax rate} = \text{Income tax expense} / (\text{Accounting profit} - \text{PRRT expense})$$