

# AUSTRALIAN TAXATION OFFICE 2017-18 REPORT OF ENTITY TAX INFORMATION

## SUPPLEMENTARY WOODSIDE INFORMATION

December 2019



This information sheet provides supplementary information to the Australian Taxation Office's (ATO) 2017-18 Report of entity tax information, released in December 2019 (the "ATO Data Release").<sup>1</sup>

Woodside had approximately \$493 million of income tax payable in respect of the 2017-18 income year through a number of entities that reflect the different joint ventures we operate, such as Burrup Facilities Company Pty Ltd and Burrup Train 1 Pty Ltd. In addition to the ATO Data Release, approximately \$238 million of resources taxes were payable, meaning Woodside's total amount payable in respect of the 2017-18 income year was \$731 million.

### ATO Data Release Information

Table 1 - Income tax summary

Woodside Entity <sup>2,3</sup>	What this company does	Total income FY 2017-18 (Accounting income)	Taxable income FY 2017-18 (Tax profit)	Income Tax Payable FY 2017-18 (Tax profit x 30%, less allowable tax offsets)
Burrup Facilities Company Pty Ltd (ABN 28 122 234 539)	LNG processing	\$1,511,946,325	\$962,480,772	\$288,744,232
Burrup Train 1 Pty Ltd (ABN 77 122 234 306)	LNG processing	\$2,526,633,280	\$680,297,330	\$204,089,199
Woodside Petroleum Ltd (ABN 55 004 898 962)	Head company, explorer and producer of petroleum products	\$6,287,256,902	\$1,284,636,699	Nil
	<b>Total</b>	<b>\$10,325,836,507</b>	<b>\$2,927,414,801</b>	<b>\$492,833,431</b>

Table 2 - Petroleum Resource Rent Tax (PRRT) summary

Resource Tax	Application	Amount Payable FY 2017-18
PRRT	A 40% profits-based resource tax applicable to oil and gas projects in Australia.	-

### To assist with interpreting the ATO Data Release:

- + Tax profit includes allowable operational expenses and deductions. Tax profit is calculated from Accounting profit, which represents the entities' accounting income, less accounting expenses (e.g. cost of sales). From the Accounting profit, adjustments are required to comply with tax law and regulations to arrive at Tax profit.
- + The amount of income tax payable is calculated by multiplying the tax profit by 30% (the applicable tax rate) and subtracting allowable tax offsets such as franking and R&D tax offsets. For information on why 30% of profits does not equate to income tax payable, go to: <http://www.ato.gov.au/general/tax-and-corporate-australia/tax-is-not-simply-30-of-profit/>
- + Woodside's tax liability for any year is impacted by a number of factors such as changes to production, operating fields and commodity prices impacting revenues, as well as cost of sales and capital investment impacting expenditures. It is also impacted by the fully franked dividends Woodside Petroleum Ltd receives from its controlled entities. Franking credits reflect the taxes already paid by these controlled entities and are allowed to ensure there is no double tax within the group.
- + Woodside's PRRT profile is dependent on various factors, including the impact of lower commodity prices on revenues, the life cycle of those PRRT projects, the amount of capital investment, ongoing operational costs and exploration activity.
- + Refer to the [Australian Petroleum Production & Exploration Association's \(APPEA\) guidance material](#) for additional information relating to PRRT.

### Additional taxes payable information

The ATO Data Release is limited to income tax and PRRT, however Woodside is also subject to (and pays) other resource taxes. In respect of the 2017-18 income year Woodside had \$238 million of resource tax payable.

Table 3 - Resource taxes summary

Resource Tax <sup>4</sup>	Application	Amount Payable FY 2017-18
Federal royalties	10-12.5% is levied on the wellhead value of petroleum products produced by the North West Shelf Project. The royalties collected by the Federal Government are shared with the Western Australian Government (approximately 68%).	\$180,959,187
Federal excise	Up to 30% take per barrel of crude oil and condensate from the North West Shelf Project.	\$57,384,565
	<b>Total</b>	<b>\$238,343,752</b>

- + Woodside has been subject to the Federal royalties and excise regimes since the North West Shelf (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.

1. All amounts are denoted in Australian dollars and are referable to the amounts payable for the 2017-18 income year pursuant to the amounts contained in Woodside's tax returns (i.e. they are not stated on a cash basis, consistent with the ATO Data Release format).  
 2. For a full list Woodside's subsidiaries, including members of the Woodside Petroleum Ltd Australian tax consolidated group, refer to note E.9(a) in Woodside's Annual Report 2018.  
 3. The published figures reflect a 100% interest, aligning with the ATO Data Release. Woodside holds a 90% interest in the 'Burrup' entities shown in Table 1.  
 4. The amounts relates to Woodside's share only.