

# Queensland LNG exports and tax

***Over the last 10 years \$125 billion worth of liquefied natural gas was exported from Gladstone in Queensland. None of the relevant entities have paid company tax in that time, with one exception - Origin Energy. Origin has paid \$966 million in company tax, only partly related to LNG exports.***

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## INTRODUCTION

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January 2025 marked ten years since exports of liquefied natural gas (LNG) commenced from Queensland. By 2023-24 LNG exports from Queensland had risen to 25.3 million tonnes, worth approximately \$19.5 billion.<sup>1</sup>

The Queensland LNG industry comprises three major facilities and associated infrastructure on Curtis Island near Gladstone. These facilities convert natural gas to LNG for export, mainly to Asia. The gas is sourced from coal seam gas projects in Queensland, and at times from the wider Australian wholesale gas market. Each of the facilities are joint ventures, meaning they are owned by more than one company.

Queensland's gas exports have been controversial from the beginning. Expanding gas production in the age of climate change was bad enough, but by linking eastern Australia's gas supplies to world markets, the export facilities pushed up gas prices for domestic users. Gas that would have been used domestically was diverted for export, leading to claims of gas shortfalls even as Australia became one of the world's largest exporters.

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<sup>1</sup> Based on Qld LNG nameplate capacities and analysis of DISR (2025) *Resources and energy quarterly*, <https://www.industry.gov.au/publications/resources-and-energy-quarterly>

More recently, focus has turned to the question of whether Australia receives a fair financial return from the exploitation of its gas reserves. Federal Treasury noted in the 2023-24 Budget that “not a single LNG project has paid any Petroleum Resource Rent Tax (PRRT), and many are not expected to pay until the 2030s.”<sup>2</sup>

Gas exports from Queensland do not pay PRRT either. However, unlike most LNG production, Queensland’s facilities source gas mainly from onshore coal seam gas projects that do attract a royalty. The Queensland Budget reports petroleum royalty payments of \$2.4 billion in 2023-24, although this is paid by all oil and gas producers in the state, not only gas production for LNG exports.<sup>3</sup>

Royalties are not a tax. They are a payment to compensate the Queensland community for the exploitation of resources that the community owns. The main tax that Queensland’s LNG producers are liable for is corporate tax.

This briefing note uses the most recent data from the Australian Taxation Office (ATO) to outline the tax payments made by the companies involved the three Queensland LNG facilities:

- Gladstone LNG (7.8 MT/yr):<sup>4</sup>
  - Santos – Major oil and gas company headquartered in Adelaide.
  - Petronas – Malaysian multinational oil and gas company headquartered in Kuala Lumpur.
  - TotalEnergies – French based multinational energy and petroleum company.
  - Kogas – Korean Gas Corporation, importer of LNG into South Korea.
- Australian Pacific LNG (9 MT/yr):<sup>5</sup>
  - Origin Energy – Australian diversified energy company with interests in upstream and downstream energy, including retail.
  - ConocoPhillips – American multinational engaged in hydrocarbon exploration and production.
  - Sinopec – Chinese oil and gas enterprise based in Beijing.
- Queensland Curtis LNG (8.5 MT/yr):<sup>6</sup>

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<sup>2</sup> Treasury (2023) Budget 2023-24: Budget paper no. 1, Budget strategy and outlook, p180, <https://archive.budget.gov.au/2023-24/index.htm>

<sup>3</sup> Queensland Treasury (2024) *State Budget 2024-25 – Budget Paper 2*, p.119, <https://www.treasury.qld.gov.au/resource/state-budget-2024-25/>

<sup>4</sup> Santos GLNG (2025) *GLNG plant*, <https://www.glng.com/glngplant>

<sup>5</sup> Global Energy Monitor (2025) *Australia Pacific LNG Terminal*, [https://www.gem.wiki/Australia\\_Pacific\\_LNG\\_Terminal](https://www.gem.wiki/Australia_Pacific_LNG_Terminal)

<sup>6</sup> Global Energy Monitor (2025) *Queensland Curtis LNG Terminal*, [https://www.gem.wiki/Queensland\\_Curtis\\_LNG\\_Terminal](https://www.gem.wiki/Queensland_Curtis_LNG_Terminal)

- Shell (QGC) – Subsidiary of Shell PLC, the second largest investor-owned oil and gas company in the world.
- CNOOC – China National Offshore Oil Corporation, third largest oil company in China.
- Midocean Energy – LNG company formed by an institutional investor in global energy companies. Midocean has been excluded from our analysis below as its stake in the QGC project is small (2.5% equity in one half of the project, so roughly 1.25% total)<sup>7</sup> and neither it, nor its known investors, EIG Partners and Aramco,<sup>8</sup> appear in ATO data.

Each of the three LNG plants comprises two LNG trains, the units involved in converting the natural gas to LNG, with a total nameplate production capacity of 25.3 million tonnes per year.

## CORPORATE TAX PAYMENTS

Since LNG exports from Queensland began in January 2015, most companies involved have paid no tax at all, as shown in Table 1 below.

**Table 1: Tax payable by Queensland LNG export projects and related companies, \$m**

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
<b>Santos</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Petronas</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>TotalEnergies</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Kogas</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Origin Energy</b>	\$0	\$0	\$0	\$74	\$180	\$0	\$51	\$93	\$568	<b>\$966</b>
<b>ConocoPhillips</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Sinopec</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Shell (GQC)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>CNOOC</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>APLNG</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>

Source: ATO (2024). Note: Most recent ATO data is for 2022-23

<sup>7</sup> Shell (n.d.) *About QGC*, <https://www.shell.com.au/about-us/projects-and-locations/qgc/about-qgc.html>

<sup>8</sup> Aramco (2023) *Aramco to enter global LNG business by acquiring stake in MidOcean Energy*, <https://www.aramco.com/en/news-media/news/2023/aramco-to-enter-global-lng-business-by-acquiring-stake-in-midocean-energy>

As shown in Table 1, the amount of corporate income tax paid by the relevant companies to the end of June 2023, according to ATO, is \$966 million.<sup>9</sup> All of this tax was paid by Origin Energy.

Origin Energy's latest annual report shows that over the last two financial years, profit from its share of *Australian Pacific LNG* accounted for 63% of total profit as measured by earnings before interest, taxes, depreciation, and amortisation (EBITDA).<sup>10</sup> For the most recent year 2022-23 it accounted for 72% of profits. Applying these shares to the data in Table 1 suggests Origin Energy paid \$411 million in Queensland LNG related corporate tax in 2022-23, and \$661 million over the full period.

Table 1 shows that aside from Origin, no Queensland LNG projects have made significant company tax payments in since LNG exports began. The only possible exceptions are Midocean Energy, for which there is no data available and Sinopec.

Sinopec lists two ABNs in the ATO *Corporate Tax Transparency data*, one registered in New South Wales (NSW) and the other in Queensland. In 2019-20, the NSW-based business reported a payment of \$45,126.<sup>11</sup> This entity seems unlikely to be related to Queensland LNG, and more likely to be lined to Sinopec's activities supplying a range of lubricants and greases in collaboration with Western Australian based International Lubricant Distributors.<sup>12</sup> The \$46,126 payment has not been included for this reason.

## CONTEXT: REVENUE AND TAX PAYABLE

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The minimal tax payments in Table 1 need to be seen in the context of how much gas has been exported by these facilities and the income of these companies.

Currently LNG exports from Queensland are worth roughly \$19.5 billion a year.<sup>13</sup> Precise data on the value of LNG exports is not available as many of export prices are contained in confidential supply contracts. Using average Australian LNG export prices, together with Australian average LNG capacity utilisation, the value of LNG exports

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<sup>9</sup> ATO (2024) *Corporate Tax Transparency - 2022-23 Report of Entity Tax Information*, <https://data.gov.au/data/dataset/corporate-transparency>

<sup>10</sup> Origin Energy (2024) *2024 Annual Report*, p.20, <https://www.originenergy.com.au/about/investors-media/welcome-to-the-2024-annual-report/>

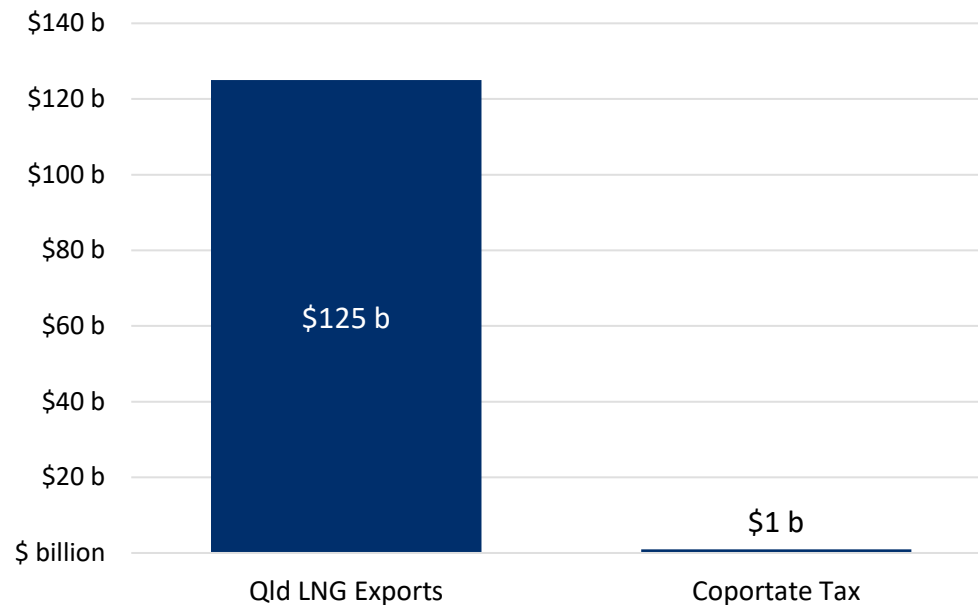
<sup>11</sup> Australian Business Register (2025) *ABN Lookup*: ABN 86 110 999 365 SINOPEC OIL AND GAS AUSTRALIA (NT) PTY LIMITED and ABN 69 163 459 701 SINOPEC INTERNATIONAL (AUSTRALIA) PTY LIMITED, <https://abr.business.gov.au/ABN>

<sup>12</sup> <https://sinopeconline.com.au/>

<sup>13</sup> Based on Qld LNG nameplate capacities and analysis of DISR (2025) *Resources and energy quarterly*, <https://www.industry.gov.au/publications/resources-and-energy-quarterly>

from Queensland since exports began in 2015 is estimated to be over \$125 billion.<sup>14</sup> Figure 1 compares the value of LNG exports since 2015 compared to corporate tax paid.

**Figure 1: Qld LNG exports vs corporate tax paid by LNG producers, 2015-16 – 2022-23**



Sources: ATO (2024) and estimates based on DISR (2025)

Figure 1 above estimates the total value of Queensland LNG exports from approximate production levels and average LNG prices. By contrast, Table 2 below, collates the total income (revenue) reported to the ATO of the Queensland LNG companies since exports began. This includes revenue from activities outside of Queensland LNG.

**Table 2: Total income of Queensland LNG projects' related companies, \$ million**

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
<b>Santos</b>	\$3,389	\$3,476	\$3,715	\$3,498	\$4,361	\$5,014	\$4,070	\$4,746	\$6,257	<b>\$38,527</b>
<b>Petronas</b>	\$0	\$0	\$0	\$544	\$2,018	\$1,107	\$1,126	\$826	\$1,145	<b>\$6,767</b>
<b>TotalEnergies</b>	\$0	\$0	\$295	\$781	\$1,021	\$2,291	\$2,008	\$163	\$3,666	<b>\$10,225</b>
<b>Kogas</b>	\$0	\$0	\$347	\$492	\$668	\$914	\$704	\$1,701	\$1,557	<b>\$6,383</b>
<b>Origin Energy</b>	\$12,201	\$11,918	\$14,831	\$15,482	\$15,895	\$14,460	\$12,982	\$16,630	\$19,294	<b>\$133,692</b>
<b>ConocoPhillips</b>	\$1,709	\$1,464	\$1,063	\$1,083	\$1,592	\$1,850	\$1,074	\$451	\$5,708	<b>\$15,994</b>
<b>Sinopec</b>	\$0	\$165	\$159	\$147	\$371	\$1,045	\$899	\$0	\$0	<b>\$2,785</b>
<b>Shell (QGC)</b>	\$0	\$0	\$0	\$3,655	\$3,985	\$4,602	\$3,524	\$5,870	\$10,655	<b>\$32,292</b>
<b>CNOOC</b>	\$576	\$1,033	\$1,278	\$1,359	\$1,769	\$1,854	\$1,486	\$1,866	\$2,569	<b>\$13,789</b>
<b>APLNG</b>	\$415	\$912	\$3,583	\$5,292	\$7,207	\$6,979	\$4,616	\$9,348	\$11,315	<b>\$49,668</b>
<b>Total</b>	<b>\$18,290</b>	<b>\$18,967</b>	<b>\$25,272</b>	<b>\$32,333</b>	<b>\$38,887</b>	<b>\$40,117</b>	<b>\$32,491</b>	<b>\$41,601</b>	<b>\$62,165</b>	<b>\$310,123</b>

Source: ATO (2024)

<sup>14</sup> Based on Qld LNG nameplate capacities and analysis of DISR (2025).

Table 2 shows that total income for these companies exceeded \$62 billion for 2022-23, and a total of \$310 billion since LNG exports from Queensland commenced. Quite clearly, the revenue in Table 2 is greater than Queensland LNG operations alone. Some of the companies listed in Table 2 hold a number of energy assets in Australia. For example, Santos owns LNG assets in Western Australia and the Northern Territory, and natural gas mining and processing facilities in South Australia. A comparison of Table 2 to Figure 1 suggests that around 40% of revenue in Table 2 could be related to Queensland LNG production. A still significant amount of export revenue.

According to the ATO, the total income from Table 2 of \$62 billion in 2022-23 translates into a taxable income of \$1.9 billion. From the commencement of LNG exports from Queensland to 2022-23 on a total income of \$310 billion the ATO reports a taxable income of almost \$5.1 billion, with the majority recorded in the last two years with the spike global energy prices following Russia's invasion of Ukraine as shown in Table 3. Similar to Table 1 the vast majority of the taxable income is from Origin Energy or a related entity.

**Table 3: Taxable income of Queensland LNG projects' related companies, \$ million**

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
<b>Santos</b>	\$0	\$0	\$0	\$0	\$8	\$29	\$69	\$74	\$20	<b>\$200</b>
<b>Petronas</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>TotalEnergies</b>	\$0	\$0	0	0	0	0	0	0	0	<b>\$0</b>
<b>Kogas</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Origin Energy</b>	\$0	\$94	\$188	\$297	\$635	\$0	\$205	\$316	\$1,905	<b>\$3,640</b>
<b>ConocoPhillips</b>	\$113	\$108	\$97	\$102	\$29	\$115	\$0	\$0	\$0	<b>\$564</b>
<b>Sinopec</b>	\$0	0	0	0	\$0	\$0	0	\$0	\$0	<b>\$0</b>
<b>Shell (QGC)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>CNOOC</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>APLNG</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$690	\$0	<b>\$690</b>
<b>Total</b>	<b>\$113</b>	<b>\$202</b>	<b>\$285</b>	<b>\$399</b>	<b>\$672</b>	<b>\$145</b>	<b>\$274</b>	<b>\$1,080</b>	<b>\$1,925</b>	<b>\$5,094</b>

Source: ATO (2024)

While there is no suggestion of illegality, the data across Tables 1 to 3 makes clear that Australians are receiving very little back from companies selling Australian-owned natural gas to the rest of the world. Since January 2015, Australians have received just \$966 million in corporate tax revenue from companies earning over \$310 billion, or around 0.31% of the total export revenue.

## CONCLUSION

As this briefing note was being written there are massive floods affecting New South Wales, just a few years after similarly extreme floods hit a similar area. Such natural

disasters are being exacerbated by climate change caused by the extraction and use of natural gas and other fossil fuels.

At the same time, the *Australian Energy Producers* conference is set to open in Brisbane, and approval of Woodside's North West Shelf extension is expected any day. Major gas expansions are planned in the Northern Territory and elsewhere.

Clearly, Australian policy settings on energy and tax are out of order. No new fossil fuel projects should be going ahead, and far more money should be being raised from the existing projects to help pay for the rising costs of climate-linked disasters.