

# Government revenue from LNG exports: Australia vs Qatar

***Australia and Qatar are two of the world's largest exporters of liquefied natural gas, each exporting around 80 million tonnes in 2023, worth \$85 billion. From these exports the Qatari Government received \$A56 billion, while Australian governments received just \$11 billion.***

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## INTRODUCTION

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Australia and Qatar are two of the world's biggest exporters of liquefied natural gas (LNG). Over recent years Australia and Qatar had traded places as the world's largest and second largest exporters of LNG, recently first place was claimed by the USA. The most recent data shows that Australian and Qatar are the world's second and third largest LNG exporters respectively.<sup>1</sup>

In 2023, Australian and Qatar exported 81 MT and 80 MT of LNG, worth around \$AUD 86 billion and \$AUD 83 billion respectively.<sup>2</sup>

In both Australia and Qatar, the natural gas resources in the ground are owned by the state or the crown. In Australia, offshore gas is owned by the Commonwealth of Australia, and onshore gas by the relevant state governments. This means that in both countries the governments charge a range of fees, royalties and taxes on gas

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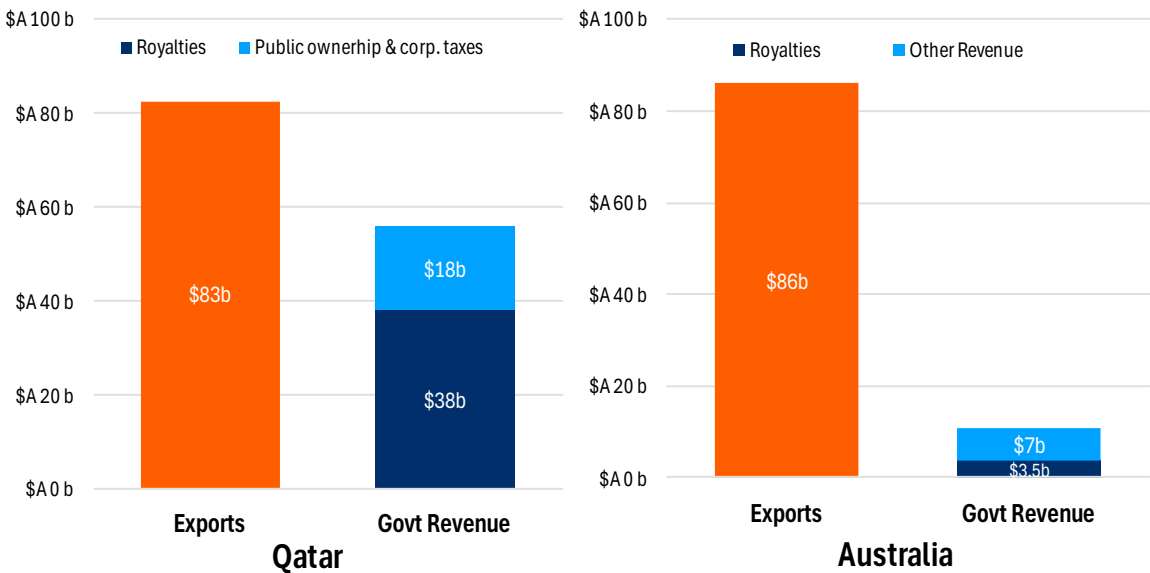
<sup>1</sup> IEEFA (2024) *Global LNG Outlook 2024-2028*, [https://ieefa.org/sites/default/files/2024-04/Global%20LNG%20Outlook%202024-2028\\_April%202024%20%28Final%29.pdf](https://ieefa.org/sites/default/files/2024-04/Global%20LNG%20Outlook%202024-2028_April%202024%20%28Final%29.pdf)

<sup>2</sup> To avoid data availability issues with the Qatari data, LNG trade values for both regions were reported from the importing regions' data, for Australia this is around 11% higher than commonly reported export values : World Integrated Trade Solution (2025) *Trade Statistics by Product (HS 6-digit)*, <https://wits.worldbank.org/trade/country-byhs6product.aspx?lang=en>

companies for using the natural gas resources to make LNG for export and profit. In the case of Qatar, the government also has ownership shares in numerous LNG projects. Collectively, all government charges and ownership returns are referred to as government revenue.

Despite exporting a similar volume and value of LNG, the Qatari government generates significantly more government revenue from LNG exports than the Australian Government. In 2023 the Qatari Government generated around \$AUD 56 billion in government revenue from LNG exports. In comparison, for 2022-23, Australia's governments, at all levels combined, generated only \$AUD \$10.6 billion in government revenue from LNG exports, as shown in Figure 2, along with estimates of LNG royalties.

**Figure 1: Australian and Qatari LNG exports and LNG government revenue, 2023**



Sources: Authors' estimates, see following sections for data sources and methodology details

In Qatar, some government revenue is generated through a combination of royalties and corporate income taxes on the foreign owned shares of joint venture operations. In addition, the Qatari Government owns significant stakes in LNG projects. Some LNG projects are 100% government owned, with all profit adding to government revenue. Most LNG operations are at least 50% government owned through *Qatar Energy* as joint ventures with foreign owned fossil fuel energy companies.<sup>3</sup>

<sup>3</sup> PWC (2025) *Worldwide Tax Summaries: Qatar Corporate - Taxes on corporate income*, <https://taxsummaries.pwc.com/qatar/corporate/taxes-on-corporate-income> : See for examples: Gem Wiki (2025) *Qatargas 1 Ras Laffan LNG Terminal*, [gem.wiki/wiki/Qatargas\\_1\\_Ras\\_Laffan\\_LNG\\_Terminal](https://gem.wiki/wiki/Qatargas_1_Ras_Laffan_LNG_Terminal), *Qatargas 2 Ras Laffan LNG Terminal*, [gem.wiki/wiki/Qatargas\\_2\\_Ras\\_Laffan\\_LNG\\_Terminal](https://gem.wiki/wiki/Qatargas_2_Ras_Laffan_LNG_Terminal), and *Rasgas LNG Terminal 1*, [gem.wiki/wiki/Rasgas\\_LNG\\_Terminal\\_1](https://gem.wiki/wiki/Rasgas_LNG_Terminal_1)

In Australia, government revenue on the LNG industry is generated through state and federal royalties, the Petroleum Resource Rent Tax (PRRT), and corporate income taxes.<sup>4</sup>

While some of the difference in government revenue raised from LNG exports shown in Figure 1 can be explained by the fact that most Qatari LNG operations are at least 50% government owned, the fact that the royalty revenues (that would still apply if all Qatari LNG operations were privately owned) are so drastically different suggests a big part of the difference can be explained by differences in the royalty and taxation policies between the two countries.

Previous Australia Institute research, and statements from the ATO and Treasury, make clear why Australian government revenue from the LNG industry is so low. LNG exports are largely (56.2%) based on royalty-free gas, while the ATO has labelled the LNG industry as “systemic non payers” of tax.<sup>5</sup> In addition, Treasury budget papers from 2023-24 said “not a single LNG project has paid any PRRT and many are not expected to pay significant amounts of PRRT until the 2030”.<sup>6</sup>

The data from Figure 1 also suggests that if the Australian Government changed the rates of royalties on LNG exports to be similar to those in Qatar, then an extra \$27.3 billion a year in government revenue could be raised.

## QATARI GOVERNMENT LNG REVENUES

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This section discusses the method and data sources used to estimate Qatari Government LNG revenues shown in Figure 1.

Information on Qatari royalty and tax arrangements is difficult to find. The only public data on royalty rates, as far as the authors can tell, is from a 2005 World Trade Organisation (WTO) publication that noted that royalties on oil and LNG were 12.5% and 20% respectively.<sup>7</sup>

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<sup>4</sup> Australian Energy Producers (2024) *The Australian Gas Industry's Economic Contribution*, <https://energyproducers.au/policy/our-contribution/>

<sup>5</sup> Verstegen, Ogge, Campbell (2024) *Australia's great gas giveaway*, <https://australiainstitute.org.au/report/australias-great-gas-giveaway/> : McIlroy (2019), *Oil, gas 'systemic non-payers' of tax*, <https://www.afr.com/politics/federal/oil-gas-systemic-non-payers-of-tax-20191211-p53iys>

<sup>6</sup> Treasury (2023) *Budget 2023-24, Budget Paper 1*, p180. [https://archive.budget.gov.au/2023-24/bp1/download/bp1\\_2023-24.pdf](https://archive.budget.gov.au/2023-24/bp1/download/bp1_2023-24.pdf)

<sup>7</sup> WTO (2005) *Trade Policy Review – Qatar*, [https://www.wto.org/english/tratop\\_e/tpr\\_e/tp244\\_e.htm](https://www.wto.org/english/tratop_e/tpr_e/tp244_e.htm)

However, Qatari Government and International Monetary Fund (IMF) statistics provide some useful information. Qatari budget papers publish data on *total hydrocarbon revenue*. According to the Qatari government budget papers 221 billion Qatari Riyals of hydrocarbon revenue was generated in calendar year 2023, equal to \$US58 billion, or \$AUD 91 billion.<sup>8</sup>

The IMF publishes similar data for Qatar on *total hydrocarbon revenue*, along with additional data on government revenue generated from LNG and crude oil exports, as well as economy-wide corporate income taxes and income from public enterprises.<sup>9</sup> This data is shown in Table 1, converted to \$US to simplify the comparison to LNG export revenue outlined in more detail below.

**Table 1: IMF estimates of Qatari government revenue by source, \$US billion**

	2023
Oil	\$10.71
LNG	\$24.26
Investment income from public enterprises	\$20.66
Corporate tax revenue	\$9.51
Other revenue	\$4.75
<b>Total government revenue</b>	<b>\$69.89</b>
Of which...	
<b>Total hydrocarbon revenue</b>	<b>\$58.21</b>

Sources: IMF (2025), Table 3A, p.37

Note: Source data converted at \$1 US = 3.64 Qatari Riyals

The IMF authors note that both hydrocarbon and non-hydrocarbon revenue is included in Table 1's items for Investment income from public enterprises, Corporate taxes, and Other revenue.<sup>10</sup> This is important because it makes it clear that the oil and LNG figures in Table 1 do not include the investment incomes from the Qatari government's ownership of LNG assets, nor the corporate taxes on the privately owned shares of LNG joint ventures. Instead, it suggests the oil and LNG data in Table 1 are royalty type revenues, or similar, on oil and LNG activities. In addition, the time series of the IMF data shows a strong spike in the LNG revenue with the spike in global energy prices following the Russian invasion of Ukraine, further suggesting the data represents a value-based royalty instrument. To be clear, the IMF publication does not

<sup>8</sup> Qatar Ministry of Finance (2024) *Qatar State Budget 2023 - Quarterly Reports*, <https://www.mof.gov.qa/en/Pages/StateBudget2023.aspx>

<sup>9</sup> IMF (2025) *IMF Country Report No. 25/47 – Qatar*, <https://www.imf.org/en/Publications/CR/Issues/2025/02/24/Qatar-2024-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-562636>

<sup>10</sup> IMF (2025), p. 37

provide details on the exact royalty rates or arrangements in place. What the IMF data does make relatively clear, however, in context with the other revenue line items, is that the large LNG revenue in Table 1 is most likely a value-based royalty of some kind.

The data from Table 1 allows us to allocate *total hydrocarbon revenue* to oil, LNG and a third category covering the total amount of investment income, corporate tax, and other revenue. This is shown in Table 2.

**Table 2: IMF estimates of Qatari government hydrocarbon revenue, \$US billion**

	2023
<b>Total hydrocarbon revenue</b>	<b>\$58.21</b>
Of which...	
<b>Oil</b>	\$10.71
<b>LNG</b>	\$24.26
<b>Investment income + Corp. tax + Other</b>	\$23.24

Sources: IMF (2025), Table 3A, p.37

The final step in estimating total Qatari government revenue from LNG is to split the third category of hydrocarbon revenue from Table 2 between oil and LNG. One method is to split the revenue based on the value of exports. Table 3 outlines the data on hydrocarbon exports from Qatar. In addition, Table 3 shows an estimate for the value of pipeline natural gas exports from Qatar to the United Arab Emirates. This estimate is based on data from the *Energy Institute* that says 15% of natural gas exports, by volume, are by pipeline, and assumes an export price half of the implied LNG export price.<sup>11</sup>

**Table 3: Hydrocarbon exports from Qatar, 2023, \$US billion**

	Exports	Share (%)
<b>LNG</b>	\$52.9	50%
<b>Nat. gas pipeline</b>	\$5.0	5%
<b>Crude oil</b>	\$24.2	23%
<b>Petroleum products</b>	\$24.5	23%
<b>Total</b>	<b>\$106.7</b>	<b>100%</b>

Sources: World Integrated Trade Solution (2025), Energy Institute (2024)

The data from Table 3 suggests that LNG represents 50% of total hydrocarbon exports by value. Then we allocate 50% of the total investment income from public

<sup>11</sup> Energy Institute (2024) *Statistical Review of World Energy 2024 | 73rd edition*, <https://www.energyinst.org/statistical-review/resources-and-data-downloads>

enterprises, corporate tax revenue, and other revenues from Table 2 to LNG and Qatari government LNG revenues.

Table 4 shows the final estimates of Qatari government revenue from LNG, both in \$US and \$AUD. The \$AUD data is presented above in Figure 1.

**Table 4: Estimates of Qatar government LNG revenues, 2023**

	\$US billion	\$AUD billion
LNG royalties	\$24.26	\$37.90
Investment income + Corp. tax + Other	\$11.52	\$18.00
<b>Total</b>	<b>\$35.78</b>	<b>\$55.91</b>

Sources: Authors estimates using IMF (2025), World Integrated Trade Solution (2025), Energy Institute (2024)

Note: Converted at \$A 1 = \$US 0.64

## ESTIMATING AUSTRALIAN PUBLIC LNG REVENUES

This section discusses the data and methods used to estimate Australian government LNG revenues, shown in Figure 1.

Australian Energy Producers (AEP), the peak body representing the oil and gas industry in Australia, engages consultants to produce reports on the ‘economic contribution’ of the gas industry to the Australian economy, including taxes and royalties.<sup>12</sup> The most recent AEP report focussed on 2023-24 and was written by consultants KPMG. The report is based on self-reported data by AEP members, rather than audited data from the Australian Tax Office and/or the Australian Bureau of Statistics.

KPMG estimates that in 2022-23, gas industry generated just over \$AUD 16 billion in government revenue across Australian state and federal governments, comprising PRRT, production excises or royalties, corporate taxes, and other taxes and fees.<sup>13</sup> The year 2022-23 is used here to compare with the most recent Qatari figure, while KPMG’s report suggests Australian fiscal revenue increased slightly to \$17 billion in 2023-24.<sup>14</sup>

<sup>12</sup> Australian Energy Producers (2024) *The Australian Gas Industry’s Economic Contribution*, <https://energyproducers.au/policy/our-contribution/>

<sup>13</sup> KPMG (2024) *Economic contribution of the gas industry - Final report*, [https://energyproducers.au/wp-content/uploads/2025/02/Economics-of-Gas-Industry-KPMG-Final-Report\\_18Dec2024.pdf](https://energyproducers.au/wp-content/uploads/2025/02/Economics-of-Gas-Industry-KPMG-Final-Report_18Dec2024.pdf)

<sup>14</sup> KPMG (2024), p. 29.

The definition of the gas industry used in the KPMG report is far broader than just the LNG industry. As noted in Table 4 of the report, their definition of the 'gas' industry includes \$68 billion in LNG output, *plus*:

- \$14 billion in crude oil production.
- \$14 billion in non-LNG natural gas production.
- \$3.6 billion in exploration and mining support services.
- \$3.5 billion in LPG.
- \$10.5 billion in other outputs across 23 other industries.<sup>15</sup>

This means that KPMG's estimate of government revenue includes more than just revenue from LNG exports and so needs to be adjusted to make a comparison with Qatar's revenue from LNG exports.

To estimate the fiscal revenue generated from the Australian LNG industry, the \$AUD 16 billion for the overall industry needs to be adjusted down to account for the share of LNG exports within the overall industry. The data from Table 4 of KPMG's report suggest the LNG industry represents 61% of the overall industry, and 72% of the overall industry that would be liable for PRRT and royalties. Hence, the fiscal revenues from the Australian LNG industry for 2022-23 is estimated to be 61% of total corporate and other taxes in the 'gas' industry, and 72% of the total PRRT and royalties in the 'gas' industry, for an estimated \$AUD 10.6 billion in LNG government revenue.

This estimate is likely to be an overestimate since it allocates 72% of the PRRT revenue for the total 'gas' industry into the LNG industry. But, as noted previously, according to Australian government budget papers from 2023-24, no LNG project has ever paid PRRT.<sup>16</sup>

The estimation method also includes 72% of total royalties in the expanded definition of the 'gas' industry being allocated to the LNG industry, for an LNG royalty estimate of \$A3.5 billion. This compares to a higher \$A4.4 billion estimated by Verstegen, Ogge and Campbell for LNG royalties in 2022-23.<sup>17</sup> This higher estimate was not used, however, since the lower \$A3.5 billion estimate can offset, to some degree, the overestimation of the PRRT revenues.

A final step is to estimate the potential increase in Australian government revenue if the taxation of LNG exports from Australia were at a similar rate to that in Qatar. This amount is estimated as being equal to Qatari royalties from LNG (\$AUD 38 billion)

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<sup>15</sup> KPMG (2024), Table 4, p.19

<sup>16</sup> Treasury (2023)

<sup>17</sup> Verstegen, Ogge and Campbell (2024)

minus the current level of Australian government revenue from LNG (\$AUD 11 billion) for an increase of \$AUD 27 billion.

## CONCLUSION

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Australia and Qatar are both major exporters of LNG. Qatar generates significantly more fiscal revenues from the natural gas resources it owns, compared to Australia.

These differences are not driven solely by Qatari government ownership of LNG assets, or significantly higher corporate tax rates in Qatar. Rather, it is simply the case that most LNG production in Australia is royalty-free and that up until 2023-24 all Australian LNG projects had paid zero PRRT. It is simply the systematic failure of Australian taxation policy on one of its biggest exporting industries. Reforms to the PRRT, or a simple tax on LNG exports, could significantly increase the earnings Australians receive from their abundant natural gas resources by \$A27 billion a year, that could pay for many 'good things' like free childcare or university education, or used more generally to address the cost-of-living crisis.