Online wagering companies and company tax in Australia

Funding a national harm reduction strategy

The Murphy Review recommended that a national strategy for gambling harm reduction be funded through a levy on online gambling companies. This report shows that a national levy would be more effective than relying on company tax payments. In 2023–24, five of the largest online wagering companies won $5.4 billion from Australian gamblers, but paid $0.1 billion in company tax. Three of them paid no company tax at all.

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Summary

Of the 31 recommendations made by the Australian Parliament's 2023 inquiry into online gambling (commonly known as the Murphy Review), 20 urge some kind of action from the Australian Government, and 14 refer to a national regulator or national regulation. These recommendations include a call for a levy to be placed on online gambling companies to fund a national harm reduction strategy overseen by the Australian Government.

National reform is necessary because, on a per person basis, Australians gamble more, and lose more, to gambling than people in any other country in the world. Australians gambled over $254 billion and lost $36 billion, according to the latest yearly figures, and this is not to mention the personal and social harms that gambling can cause. Despite these losses, the de facto regulator of the online gambling industry in Australia is the Northern Territory Racing and Wagering Commission, which had no full-time staff in 2025.

This report shows that, according to the Australian Taxation Office's (ATO) *Corporate Tax Transparency Reports*, in 2023–24 five major online wagering companies won $5.4 billion from Australian gamblers. This is 64% of the $8.4 billion generated from all wagering expenditure in Australia in 2023–24.

Despite $5.4 billion in winnings, these five companies recorded a collective taxable income of just $382 million, which resulted in company tax payments of $107 million across all five companies, or 2% of their total income. Three of these companies — Tabcorp, bet365 (Hillside), and Pointsbet — paid no tax at all in 2023–24.

According to ATO data, bet365 (Hillside) and Pointsbet have never paid company tax in Australia, despite having won over $2 billion from Australian gamblers over eight years.

So where does the rest of the money go? Industry estimates and company annual reports provide some answers. At least $600 million is spent on advertising and marketing, significantly more than is paid in company tax.

Fees to racing industry bodies and other sports organisations amount to around $720 million – money that explains these organisations' (and possibly the Albanese Government's) opposition to the Murphy Review recommendations.

Wagering companies pay "point of consumption" taxes, collected by the states and territories. At most, these companies could have paid $700 million in point of consumption taxes. Far from funding gambling harm reduction, some of this is directly transferred to the racing industry, which "invests" in promoting wagering even further.

Outside of these taxes and fees, there are the technology and wages costs of running these businesses. But these appear relatively modest, running in the tens of millions, or low hundreds of millions. The fact that bet365 and Pointsbet have won over $2 billion from Australian gamblers without ever declaring taxable income suggests that these companies use effective tax minimisation strategies. The abundance of related entities registered in tax havens makes this seem even more likely.

This discrepancy between the wagering companies’ reported profits and company tax shows that the Commonwealth cannot rely on company tax paid by online gambling companies to fund national reform and harm reduction. Given that the harms and regulatory costs associated with gambling exist regardless of whether a company happens to report a profit, a levy would be a more effective way to fund national gambling reform.

Introduction

ONLINE GAMBLING AND WAGERING IN AUSTRALIA

On a per person basis, Australians gamble more, and lose more, than people in any other country in the world. Australians gambled over $254 billion,[1] and lost $36 billion according to the latest yearly figures.[2]

As the biggest overall gamblers in the world, it is perhaps not surprising that Australians are among the biggest online gamblers in the world. In 2021, on a per person basis, each Australian lost $332 to online gambling, compared to $276 in Sweden and $43 in the United States.[3]

Online gambling is a major contributor to the growth in Australia's total gambling losses. The share of Australia's adult population that participates in online gambling increased from 8% in 2017 to 33% in 2025.[4] In 2024, engagement in online gambling surpassed engagement in in-house gambling for the first time.[5]

THE MURPHY REVIEW

The prevalence and growth of online gambling in Australia was investigated by the House of Representatives *Standing Committee on Social and Policy and Legal Affairs* in its *Inquiry into online gambling and its impacts on those experiencing gambling harm*. The inquiry's

[1] Queensland Government Statistician's Office (2025) *Australian gambling statistics report 2023-24*, p 259

[2] ABS (2026) *Australian National Accounts: Income, Expenditure and Product, March 2026, Table 8, Net losses from gambling: Current prices; Original*, https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-national-income-expenditure-and-product/mar-2026

[3] Entain (2022) *Annual report 2021*, p 35, https://www.entaingroup.com/media/p4shehf1/2021-annual-report.pdf based on data supplied by H2 Gambling Capital, https://h2gc.com/. Note that the original source data is of total market size for the markets that Entain operates in, and is measured in Pounds. The Alliance for Gambling Reform converted the original data to $AUD and calculated per capita results in its submission to the Murphy Review, see Alliance for Gambling Reform (2023) *Supplementary information for the Parliament of Australia Inquiry into Online Gambling* (submission 48.2), https://www.aph.gov.au/Parliamentary_Business/Committees/House/Social_Policy_and_Legal_Affairs/Onlinegamblingimpacts/Submissions

[4] Suomi, Hahn and Biddle (2025) Gambling participation in Australia 2025, p 12, Table 1, https://polis.cass.anu.edu.au/research/publications/gambling-participation-australia-2025

[5] Suomi, Hahn and Biddle (2025), p 7

bipartisan final report, *You win some, you lose more*, has since become known as the 'Murphy Review', after the late Labor MP Peta Murphy who chaired the inquiry.[6]

The first recommendation of the Murphy Review is that "responsibility for online gambling harm reduction is held by a single Australian Government Minister". The third recommendation is that:

> the Australian Government establish national regulation and a national online gambling regulator with the sole purpose of reducing harm and with responsibility for all licencing and regulation.

In fact, out of the 31 recommendations made by the review, 20 urge some kind of action from the Australian Government, and 14 refer to a national regulator or national regulation.

A national regulator is important because, according to the inquiry, the de facto regulator of Australia's online wagering industry is the Northern Territory Racing and Wagering Commission, an organisation that has no full-time staff[7] and has filed one annual report this century.[8] To put this in perspective, the Danish Gambling Authority has a budget of €13 million, while the UK Gambling Commission has 400 full-time staff.[9]

The Murphy Review recommended that the Australian Government "levy online wagering service providers to fund the national strategy harm reduction measures for which the Australian Government has responsibility." Recommendation nine is that "the levy for online gambling harm reduction support the national regulator."

This report considers the need for such a national levy on online wagering companies. We demonstrate that the existing federal tax system does not raise significant revenue from these companies, as it is primarily based on company profits. As this report shows, the amount of profit reported to the Australian Taxation Office (ATO) by some of these companies is little to nothing.

The social harms caused by online gambling happen regardless of the profitability of these companies. A levy at the Commonwealth level would ensure that national gambling reform can be properly funded, regardless of the reported profitability of online gambling companies.

[6] Parliament of Australian (2023) *You win some, you lose more,* https://www.aph.gov.au/Parliamentary_Business/Committees/House/Social_Policy_and_Legal_Affairs/Onlinegamblingimpacts/Report

[7] Cannane (2025) *Losing Steak*, https://www.abc.net.au/news/2025-10-06/losing-streak/105859060

[8] Northern Territory Government Department of Tourism and Hospitality (2026) *Wagering Commission Annual Reports*, https://dth.nt.gov.au/boards-and-committees/wagering-commission/annual-reports

[9] Cannane (2025) *Losing Steak*

MAIN ONLINE WAGERING COMPANIES

This report focuses on a subset of online gambling referred to as online wagering. Wagering is gambling on horse or greyhound racing, other sporting events, and events such as the outcome of elections.[10] Wagering does not include other types of gambling like poker machines, casinos and lotteries. About 85% of wagering in Australia is now done online through websites and mobile phone apps.[11]

Online wagering in Australia is dominated by five large firms:

- Tabcorp; a listed Australian company that, unlike the other companies on this list, also operates shopfronts at which wagers can be placed. Online wagering makes up 63% of Tabcorp's Australian revenue.[12]
- Pointsbet; formerly a listed Australian company, now owned by the Japanese conglomerate MIXI Inc.[13]
- Hillside (Australia New Media) Pty Ltd, which owns bet365 and is part of the UK conglomerate bet365 Group Limited.[14]
- Entain Group, which own Ladbrokes and Neds. In 2023–24 they reported their taxes under the company name LB Holdings.[15]
- Flutter Entertainment, which owns Sportsbet. Flutter Entertainment reports its taxes under the company name Paddy Power.[16]

[10] Queensland Government Statistician's Office (2025) *Australian gambling statistics report 2023-24*, p 5, https://www.qgso.qld.gov.au/issues/2646/australian-gambling-statistics-40th-edn-1998-99-2023-24.pdf,

[11] H2 (2022) *Australian Offshore Wagering Market Analysis 2023*, p 8, https://responsiblewagering.com.au/wp-content/uploads/2023/05/H2-Australia-Offshore-Wagering-Market-Analysis-2023-Report.pdf

[12] Tabcorp (2024) *Annual Report*, p 5, https://companiesmarketcap.com/annual-reports/4541.ar.en.2024.pdf

[13] In August 2025, MIXI Australia Pty Ltd became the majority shareholder of Pointsbet. MIXI Australia Pty Ltd. is in turn owned by the Japanese conglomerate MIXI Inc. PointsBet Holdings Limited (2026) *Annual Report 2026*, pp 2, 83, https://framerusercontent.com/assets/rIBvMijMG3vrH01fHPFiU5cVdY.pdf

[14] Bet365 group Limited (2025) *Report and Financial Statements*, p 49, https://find-and-update.company-information.service.gov.uk/company/04241161/filing-history

[15] LB Australia Holdings is part of Entain Group, which is headquartered the UK. Entain Group (2025) *Entain plc. Annual Report 2025 - Financial Statements*, p 236, https://www.entaingroup.com/annualreport2025/documents/Entain_Annual-Report_2025_FinancialStatements.pdf Entain group also has a stake in online casino BetMGM (as part of a partnership). The Queensland Government Statistician's Office records losses from online casinos separate to losses from wagering.

[16] Paddy Power Australia is ultimately owned by Irish-American company Flutter Entertainment. Flutter Entertainment plc. (2025) *Directors' Report and Financial Statements*, pp 98–100, https://flutter.com/media/rxoliadm/directors-report-and-financial-statements.pdf

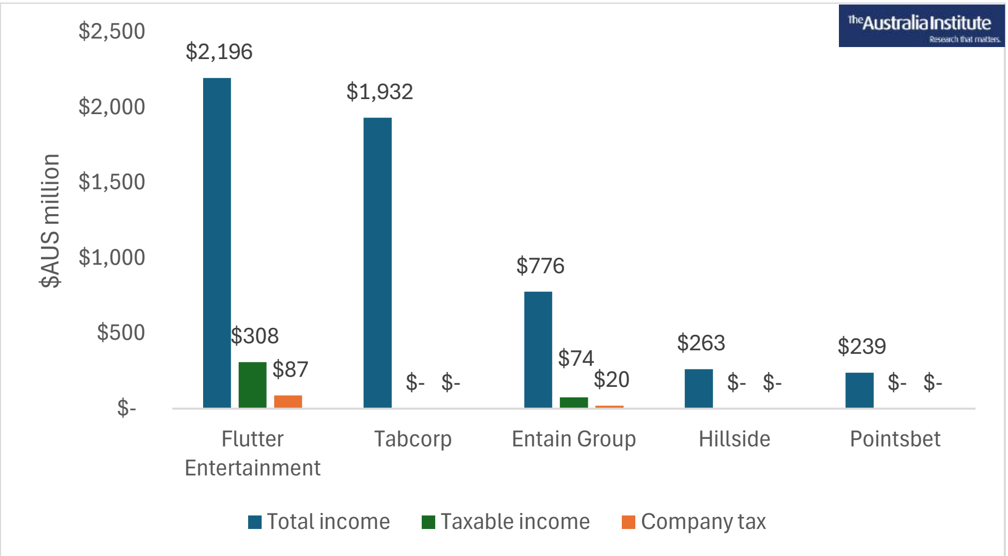
These online wagering platforms allow Australians to bet anywhere at any time, and their extensive advertising, particularly around sporting events, has made them household names.

Online wagering companies and company tax

Five major online wagering companies won $5.4 billion from Australian gamblers in 2023-24, according to the ATO *Corporate Tax Transparency Reports.*[17] This is 64% of the $8.4 billion generated from all wagering expenditure in Australia in 2023–24.[18]

Despite this, these companies recorded a taxable income of just $382 million, which resulted in company tax payments of $107 million across all five companies, which is 2% of their total income. Three of the five recorded no taxable income and paid no company tax at all, as shown in Figure 1 below:

Figure 1: Income and company tax paid by major wagering companies in 2023-24



Source: ATO (2025) *Corporate Tax Transparency report 2023-24*, https://data.gov.au/data/dataset/corporate-transparency

The most striking point in Figure 1 is the large difference between total income and taxable income recorded by all these companies in 2023–24. For most businesses, what the ATO records as "total income" can be understood as sales revenue. This total income, or revenue, is the total money paid to the company by its customers. This could be, for example, the value of all the pizzas sold by a pizza shop, or all the coal sold by a coal mine. If it cost more to make the pizzas or dig up the coal than the company received in sales

[17] Australian Taxation Office, *Corporate tax transparency report 2023–24*, p 253, https://www.ato.gov.au/businesses-and-organisations/corporate-tax-measures-and-assurance/large-business/in-detail/tax-transparency/corporate-tax-transparency-report-2023-24

[18] Queensland Government Statistician's Office (2025) *Australian gambling statistics report 2023-24*

revenue, then the company made a loss and is not required to pay company tax – its "taxable income" would be nil.

For online wagering companies, "revenue" refers to the total amount of bets that the company won. The initial payments to initiate a wager are referred to variously as "turnover",[19] "gross revenue",[20] "stakes"[21] and by other similar terms. But "revenue" is what these companies take after bets are settled. This is what the ATO describes as the "total income" of online wagering companies, shown in Figure 1.

While pizza shops and coal mines have many obvious costs that could outweigh revenue (such as ingredients, staff and machinery), the "revenue" of online wagering companies is already clear of a key cost – paying out winning bets.

Most transactions with online wagering companies are made through mobile phone apps or websites. As there is no need for shop fronts or other physical infrastructure, such companies need only a relatively limited physical presence in Australia to operate legally across all states and territories. The exception is Tabcorp which, in addition to online platforms, continues to operate shopfronts around Australia.

This raises questions about how the difference between total income and taxable income is accounted for. How did these companies win $5.4 billion, but end up with taxable income of just $0.4 billion ($382 million)? Where did the other $5 billion go?

[19] Queensland Government Statistician's Office (2025) *Australian gambling statistics report 2023-24*, also Tabcorp (2024) Annual Report, p 103, https://companiesmarketcap.com/annual-reports/4541.ar.en.2024.pdf

[20] ATO (2018) Calculating taxable income, https://www.ato.gov.au/businesses-and-organisations/not-for-profit-organisations/your-organisation/in-detail/income-tax/mutuality-and-taxable-income-for-not-for-profits/calculating-taxable-income

[21] Flutter (2024) *Annual report*, p 87, https://www.annualreports.com/HostedData/AnnualReports/PDF/flutter-entertainment-plc_2024.pdf

Where does the money go?

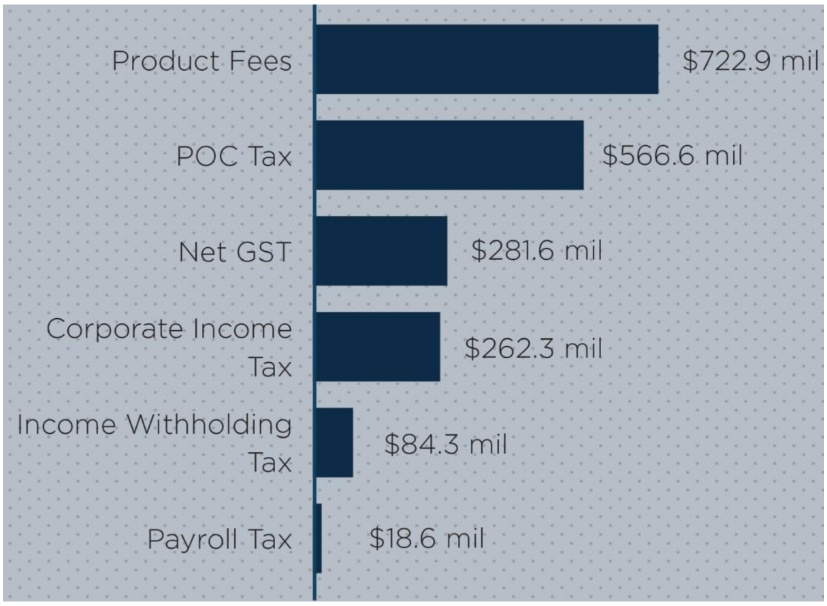
How do the big online wagering companies win $5 billion and yet barely make a profit? Some answers to this question are provided by industry groups and company reports.

RESPONSIBLE WAGERING AUSTRALIA

Responsible Wagering Australia (RWA) is the main lobby group for the online wagering industry. RWA has published estimates of its members' "economic contribution", reproduced in Figure 2 below.

The data in Figure 2 is only from RWA members, who account for approximately 60% of the online wagering industry.[22] This aligns closely with the 64% of wagering revenue earned by the five main companies included in ATO statistics, discussed above. As the industry share is similar, RWA's data likely provides a reasonable approximation of payments by the five companies above, even though not all of those companies are RWA members.[23]

Figure 2: RWA estimates of members' "economic contribution", 2022



Source: RWA website summary of IER (2022) *Assessment of the economic contribution of RWA members*. A full copy of this report could not be provided by RWA.[24] https://responsiblewagering.com.au/australian-online-wagering-industry-contributions-study/

[22] Personal communication with RWA.

[23] bet365 and SportsBet (Flutter) are RWA members, while Tabcorp, Entain and Pointsbet are not members.

[24] This 2022 data appears consistent with updated data on the RWA website, which claims "In FY2023/24 RWA members paid $1.265 billion in taxes and fees. These taxes included $1.05 billion to state and territory

Product fees

Figure 2 shows that the largest cost to online wagering companies in the RWA data is "product fees", worth $723 million in 2022. This refers to the fees that wagering companies pay to sporting organisations for the right to be able to offer bets on their events. These organisations include Racing Victoria and equivalent horse racing organisations in each state, the Australian Football League (AFL) and the National Rugby League (NRL).

The horse racing industry takes the vast bulk of this money. For example, Racing Victoria reported wagering revenue of $235 million in 2024–25. The horse racing bodies use this money for a range of industry expenses, particularly for prizemoney – Racing Victoria spent $266 million on prizemoney last year.[25]

Football codes seem to get far less, with media reports suggesting the AFL and NRL take just $40 million to $50 million each per year.[26]

There is little transparency around these fees, and most are considered commercial in confidence. As discussed below, industry documents usually obscure the value of these fees by combining them with state taxes and other costs of business, with the aggregate figure presented as "cost of sales" or similar terms.

State and territory taxes

The next largest item in Figure 2 is $567 million in POC tax, which stands for "point of consumption", referring to the location of the gambler. Each state and territory taxes the winnings of wagering companies based on the bets that gamblers place in their jurisdiction, as opposed to where the company is registered or where the horse race/football match, etc, is taking place.

For example, if you are in Melbourne and you place a bet on a football match in Perth with an online company registered in the Northern Territory, if you lose (the company wins) then the Victorian Government will tax the company's winnings by 15%. The POC tax rate varies between states.

Australia's official gambling statistics, compiled by Queensland Treasury, estimate that wagering companies (not just online wagering) paid a total of $1.13 billion in state government levies and betting taxes in 2023–24, the latest year available. Total government

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governments through Point of Consumption Tax, Product Fees, Racing Fees, Payroll Tax and Licensing Fees and $215 million to the Federal Government in GST and Corporate Income Tax." See *0.1 Amount of taxes Australia's licensed wagering service providers pay,* https://responsiblewagering.com.au/advocacy/statistics/

[25] Racing Victoria (2025) *Annual report*, https://dxp-cdn.racing.com/api/public/content/RV-ANNUAL-REPORT-2025_FINAL_DPS-3771016.pdf?v=fce91969

[26] Zamios (2025) *$40m not enough: The AFL's plan to grab more gambling money*, https://www.afr.com/companies/games-and-wagering/afl-seeks-bigger-slice-of-gambler-money-in-talks-with-bookmakers-20250127-p5l7ji

gambling revenue was $9.45 billion, with poker machines responsible for the largest share, at $5.36 billion.[27]

The RWA numbers in Figure 2 are from 2021–22. We can get more up-to-date estimates by applying the 64% share of the five main online wagering companies to the $1.13 billion total POC taxes in 2023–24. This approach would give $728 million in POC tax paid by the main five companies in 2023–24, although this does not adjust for the proportion of POC revenue that comes from in-person wagering. $700 million is likely the upper bound that the five companies could have paid.

This number does not include state payroll tax, included in Figure 2 at $18.6 million. Most businesses in each state pay payroll taxes based on their wages bill.

It is important to note that state taxes on wagering are not aimed at addressing gambling harm. They do not negate the need for a federal levy to fund harm reduction measures, as recommended by the Murphy Review.

On the contrary, much of the money raised by the states is directed towards the racing industry bodies. For example, 7.5% of Victoria's 15% POC tax goes straight to the Victorian Racing Industry.[28] Far from addressing gambling harm, this money arguably exacerbates it. Racing Victoria's Chief Executive Officer was "pleased to report" that the organisation's "investment into our own content-led promotion saw wagering turnover bounce back" continuing "a trend of consolidation and positive momentum".[29]

While this money is very significant for the racing industry, it is not particularly significant for state governments. State governments receive revenue totalling over $500 billion per year, with the major states like Victoria and NSW having budget revenue of over $100 billion each.[30] Wagering revenue represents roughly 0.2% of state and territory government revenue, meaning it has a minimal impact on the provision of services like schools and hospitals, and minimal potential to fund significant gambling harm reduction measures.

Federal taxes

Figure 2 also includes three federal taxes:

- GST payments of $282 million;
- Company tax payments of $262 million; and

[27] Queensland Government Statistician's Office (2025) *Australian gambling statistics report 2023-24*, p 259

[28] Racing Victoria (2025) *Annual report*, https://dxp-cdn.racing.com/api/public/content/RV-ANNUAL-REPORT-2025_FINAL_DPS-3771016.pdf?v=fce91969

[29] Racing Victoria (2025) *Annual report*, p 6

[30] ABS (2026) *Government Finance Statistics, Annual*, https://www.abs.gov.au/statistics/economy/government/government-finance-statistics-annual/latest-release#data-downloads

- Income withholding tax payments of $82 million.

GST applies to wagering companies, although its application is different to most goods and services. Usually a business directly passes the cost of GST onto the consumer, and it is typically itemised in the consumer's receipt. GST applies to the income of gambling companies after winnings have been paid out, and is not directly passed on to the consumer.[31]

RWA's 2022 estimate of company tax payments is significantly higher than ATO estimates of the main five companies in 2023–24. However, RWA's data is likely based on the 2021–22 tax year, when ATO data shows that the main five companies paid significantly more company tax than in 2023–24. ATO data supports RWA's figures as shown in Table 1 below:

Table 1: Income and company tax paid by major wagering companies in 2021-22

	Total income (AUD)	Taxable income (AUD)	Tax payable (AUD)
Tabcorp	5,114,167,266	660,709,834	183,540,186
Flutter	2,397,822,961	541,972,136	156,350,432
Entain	765,810,057	175,450,649	51,549,611
bet365 (Hillside)	200,452,689	0	0
Pointsbet	107,912,153	0	0
Total	8,586,165,126	1,378,132,619	391,440,229

Source: ATO (2025) Corporate Tax Transparency report 2021-22

Table 1 shows that the five main online wagering companies made company tax payments of $391 million in 2021–22, significantly more than in 2023–24. This was driven by Tabcorp, which at that point was yet to demerge its profitable lottery operations. In total, Tabcorp paid $184 million in company tax in 2021–22, as opposed to the zero payment registered in 2023–24, discussed further below. Flutter and Entain also made significantly higher company tax payments in 2021–22 than they did in 2023–24.

Table 1 emphasises that, according to ATO company tax data, bet365 (Hillside) and Pointsbet have never paid company tax in Australia, despite over $2 billion in total winnings.

Figure 2 above also includes $84 million in withholding tax from employees' income. Online wagering companies withhold these tax payments like all businesses in Australia.

[31] ATO (2017) *GST when conducting gambling activities*, https://www.ato.gov.au/businesses-and-organisations/gst-excise-and-indirect-taxes/gst/in-detail/your-industry/gst-when-conducting-gambling-activities

ANNUAL REPORTS AND FINANCIAL STATEMENTS

Flutter Entertainment

As shown in Figure 2, in 2023–24 Flutter Entertainment reported $2.2 billion in total income, $308 million in taxable income, and paid $87 million in company tax. This means they paid tax at a rate of 28% on their taxable income, but just 4% on their total income.

According to its 2024 Annual Report,[32] Flutter Entertainment's Australian segment had an average of 1.2 million monthly players in 2024, who "staked" $15.5 billion, from which Flutter Entertainment gained $2.0 billion from bets that Australians lost. This $2 billion figure is roughly consistent with the ATO data.

According to their annual report, costs incurred in Australia included:

- $1.1 billion (USD $763 million) on "cost of sales" which includes state taxes, payments to racing and sporting organisations as well as "platform costs directly associated with revenue generating activities..."
- $321 million (USD $223 million) on "sales and marketing expenses".
- $115 million (USD $80 million) on "General and administrative expenses."
- $49 million (USD $34 million) on "technology, research and development expenses".

This left $418 million (USD $295 million) in earnings before interest, tax, depreciation and amortisation. Adjusting for these items would make this figure roughly consistent with the ATO data.

Their 2024 Annual Report states that Flutter had 27,345 employees, 4.4% of whom live in Australia, which is approximately 1,200 people. Most of its employees (52.6%, or 14,380 people) are classified as "International", meaning not in Australia, the UK/Ireland or the USA. Another significant share of employees — 31.6% or 8,640 people — live in the UK/Ireland, where the company is headquartered.

To restate these numbers slightly differently, Flutter won $2 billion from Australian gamblers and employed just 1,200 people, which means they made winnings of $1.7 million per employee. The company spent $321 million on sales and marketing, but made profit of just $308 million and paid $87 million in company tax.

[32] Flutter Entertainment (2024) *Annual Report*, p 87, https://www.annualreports.com/Company/flutter-entertainment-plc. Note that these values are reported in United States Dollars, $10,813 million and $1,395 million, converted to Australian dollars via www.xe.com.

Tabcorp

As shown in Figure 2, in 2023–24 Tabcorp reported $1.9 billion in total income, no taxable income, and paid no company tax.

In that year, Tabcorp's accounts included a large impairment, or write-down of company value, relating to the value of the business following the split of its wagering operations (now Tabcorp) and its lottery operations – such as Lotto and Keno, which were spun off as The Lottery Corporation. The write-down was widely reported at the time.[33] Our report is based on the latest ATO data, which is for the 2023–24 year. According to Tabcorp's Annual Report for the 2024–25 year, the company returned to profitability with a tax expense of $34.6 million in 2025.

Tabcorp is the only one of the five companies covered in this report to operate significant non-digital wagering and gambling-related media assets in Australia, most prominently Tabcorp's chain of shopfronts (TABs). According to the 2024 Annual Report, between 53% and 63% of the company's domestic wagering revenue was digital.[34]

According to its 2024 Annual Report, Tabcorp won $1.7 billion in domestic wagering revenue, and a further $212 million from international wagering. Spending and expenses included:

- $1.1 billion in commissions and fees, which appears to incorporate:
    - $280 million to state and territory racing industry bodies, outside of a one-off payment of $600 million as part of changing arrangements with the Victorian Racing Industry;
    - $170 million in Commissions to hotels, clubs and TAB agents;
- $358 million in State Government levies and betting taxes, and GST (paid to the Federal Government but revenue flows to the States);
- $337 million in salaries and employee training and development;
- $112 million on advertising and promotions; and
- $43 million in shareholder dividends.[35]

[33] See for example McGuire (2024) *McLachlan scraps Tabcorp's strategy after $1.4b shock loss*, https://www.smh.com.au/business/companies/mclachlan-scraps-tabcorp-s-strategy-after-1-4b-shock-loss-20240828-p5k5y5.html

[34] Note that the 63% claim is prominent on page 6 of the annual report, but seems inconsistent with the more detailed table on page 21, which suggests $922 million came from digital wagering and $822 million from cash wagering, suggesting digital had a share of 53%. See Tabcorp (2024) *Annual Report*, https://companiesmarketcap.com/annual-reports/4541.ar.en.2024.pdf

[35] These figures come from the Economic Contribution figure on page 30, the income statement on page 93 and the cash flow statement on page 95.

Interestingly, Tabcorp's submission to the Murphy Review supported the eventual recommendations around a national regulator:

> Only Federal Government action can bring nationally consistent regulations into line with the modern economy. Effective enforcement is only possible if a single national betting regulator has the power to license and impose conditions on betting operators.[36]

Entain

Entain is a large international sports betting and gambling company listed on the London Stock Exchange. In Australia, it operates Ladbrokes and Neds. As shown in Figure 2, in 2023–24, according to the ATO, Entain reported $776 million in revenue, $74 million in taxable income and $20 million in company tax in Australia.

The financial information that Entain publicly reports on its Australian operations is limited. The company as a whole had revenue of AU$9,827.2 million (UK£5,089.2 million) in the year ending December 2024, with Australian and New Zealand operations accounting for AU$1,108.2 million (UK£573.9 million), roughly consistent with ATO data.[37] Australia makes up 10% of its online net gaming revenue.[38]

The company reported marketing expenses of AUD$1,230 million (UK£637.6 million) globally. If Australia accounts for 10% of this, in line with revenue share, Australian marketing expenses would be approximately $120 million.

Interestingly, Entain's global payment of *Betting and gaming taxes and duties* was reported at AUD$2,305.0 million (UK£1,194.3 million), or 23% of global revenue. *Revenue share arrangements including content providers* was reported at AUD$1,070.6 million (UK£554.7 million), or 11% of global revenue.

Entain's annual report includes a seven-page list of related parties and subsidiaries. Large numbers of these are located in well-known tax havens and secrecy jurisdictions such as Delaware in the USA, Malta, Ireland, Gibraltar, islands in the English Channel and the British Virgin Islands.[39] Some companies set up in these jurisdictions could be structured in a way that is designed to minimise tax payments.

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[36] Tabcorp (2022) *Tabcorp submission: Inquiry into online gambling*, Submission 101, https://www.aph.gov.au/Parliamentary_Business/Committees/House/Social_Policy_and_Legal_Affairs/Onlinegamblingimpacts/Submissions

[37] Entain (2025) *2024 Annual Report*, p 178, https://www.entaingroup.com/AnnualReport2024/

[38] Entain (2025) *2024 Full Year results*, p 9, https://www.entaingroup.com/media/hvpgybwh/ent-fy24-presentation.pdf

[39] Entain (2025) *2024 Annual Report*, pp 213–220, https://www.entaingroup.com/AnnualReport2024/

Bet365 - Hillside (New Media)

The bet365 Group reports to the ATO via a subsidiary called Hillside (New Media), which reported $263 million in Australian total income in 2023–24, no taxable income, and no tax payments. In fact, ATO data shows that since 2016–17, bet365 has won $1.341 billion from Australian gamblers, yet never reported any taxable income and never paid company tax.

Bet365 is a major global gambling group, headquartered in the UK, owned by the billionaire Coates family. Founder Denise Coates is one of Britain's richest people and highest-paid executives, paid over $540 million in 2025.[40] The company reported revenue of almost $8 billion in 2025 (UK£4.0 billion).[41]

Most of the bet365 Group, including Hillside, are private companies with limited requirements to provide public financial information. The most recent bet365 statements do not provide any separate financial information about its Australian business. Bet365 has subsidiaries based in major tax havens such as Delaware, Malta, Gibraltar and Alderney in the English Channel.

Pointsbet

As shown in Figure 2, Pointsbet reported $239 million in total income, but no taxable income, so it paid no company tax in Australia in 2023-24. Since 2020–21, Pointsbet has won $876 million from Australian gamblers but has never reported any taxable income or paid any company tax.

Pointsbet is listed on the Australian Securities Exchange. In September 2025, MIXI Australia, a wholly owned subsidiary of Japanese conglomerate MIXI Inc., bought a controlling share (66.43%) in Pointsbet. This purchase occurred after the latest period for which corporate tax transparency data is available.

The two major markets that Pointsbet operates in are Australia and Canada. Australia is its largest market, making up over 90% of its turnover and wagering expenditure.

According to its 2023–24 annual report, Pointsbet had turnover of $2.68 billion from Australia.[42] This is the total value of all bets made in Australia, regardless of whether the bet was won or lost. From that, Pointsbet had a "net win" of $233.1 million. This is turnover minus the payouts given to those who made winning bets.[43] Wagering expenditure or "net

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[40] Mitchell (2025) *Bet365 boss pay package rises to £280m*, https://www.bbc.com/news/articles/c1j914rj64do

[41] Hillside (2025) bet365 Group Limited: Report and Financial Statements, https://find-and-update.company-information.service.gov.uk/company/04241161/filing-history/MzQ5NTE0MTEzM2FkaXF6a2N4/document?format=pdf&download=0

[42] Pointsbet (2024) *FY2024 – Annual Results*, p 27, https://investors.pointsbet.com.au/results-presentations

[43] This figure is also minus promotional costs including bonus bets, money back offers, early payouts, and enhanced pricing initiatives.

win" is approximate to what the ATO calls "total income." Pointsbet's total income was $239.1 million, according to the ATO's 2023-24 tax transparency report.

Pointsbet spent $111 million on "cost of sales" which includes GST, Point of Consumption Tax (to states and territories), and fees to racing authorities and national sports organisations.[44] They spent a further $45.2 million on marketing.[45]

Pointsbet's annual report does not break down other expenses by country; instead, it aggregates them, with Australia's constituting the vast majority. Pointsbet spent $44.5 million on employee expenses, $9.8 million on technology, and $7.8 million on administration and other expenses.[46] This means they made a loss of $3.4 million in earnings before interest, tax, depreciation and amortisation.

Summary of advertising and marketing expenses

Annual reports provided or facilitated estimates of advertising and marketing spending by Flutter, Tabcorp, Entain and Pointsbet. These estimates are summarised below:

Table 2: Estimated advertising and marketing expenses of selected wagering companies

	AUD millions
Flutter	321
Tabcorp	112
Entain	120
Pointsbet	45
Total	**$598**

Sources: Annual reports

Table 2 shows that these companies spent almost $600 million on advertising and marketing – far more than their reported profits and almost six times their company tax payments.

[44] Pointsbet (2024) *FY24 Results Presentation*, p 8, https://framerusercontent.com/assets/UBDZrV1TQqsAaALpXbnF1OPRbjY.pdf

[45] Pointsbet (2024) *FY2024 – Annual Results*, p 28, https://investors.pointsbet.com.au/results-presentations

[46] Pointsbet (2024) *FY2024 – Annual Results*, p 30

Conclusion

The Murphy Review calls for a national regulator and a national harm minimisation strategy funded through a levy on online gambling companies. A levy is necessary because, as this report shows, the Commonwealth does not raise consistent and significant company tax revenue from online wagering companies. A national harm reduction strategy for what the Murphy Review has called a major public health issue[47] should not depend on whether wagering companies happen to report taxable profits in a given year.

This report has shown that, in 2023–24, five major online wagering companies won $5.4 billion from Australian gamblers, yet claim to have made profits of just $0.4 billion, which means they paid $0.1 billion in company tax.

Where did the money go?

Based on company annual reports, at least $600 million went on advertising and marketing, an expense that would be substantially cut if the Murphy Review recommendation of banning gambling advertisements was implemented. While modest in the context of gambling losses, this revenue is significant for some traditional media outlets that are struggling as advertising revenues have moved to online sites and social media.

These companies paid around $720 million in fees to the racing industry and other sporting organisations – money that explains these organisations' (and possibly the Albanese Government's) opposition to the Murphy Review recommendations.

At most, $700 million was paid to state and territory governments through their "point of consumption" gambling taxes. Far from a suitable payment to compensate for gambling harm, some of this is directly transferred to the racing industry, which then "invests" in promoting wagering even further.

Outside of these taxes and fees, there are the technology and wages costs of running these businesses. These costs appear relatively modest, running in the tens of millions, or low hundreds of millions. The fact that bet365 and Pointsbet have won over $2 billion from Australian gamblers without ever declaring taxable income suggests that these companies use tax minimisation strategies. The abundance of related entities registered in tax havens makes this seem even more likely.

[47] Parliament of Australian (2023b) *You win some, you lose more*, pp 2–3, https://www.aph.gov.au/Parliamentary_Business/Committees/House/Social_Policy_and_Legal_Affairs/Onlinegamblingimpacts/Report

This reinforces the Murphy Review's call for a national regulator, funded by a levy on online wagering. This should be a priority for governments looking to reduce the social and economic harms of excessive gambling as well as raising revenue for wider public services.