

Media Release

Tax paid by large corporates continues to fund Australia's essential services

"Tax paid by large corporates continues to fund the nation's expenditure on essential services with confirmation today that large corporate groups paid a record \$83.8 billion in income tax in 2021-22," Corporate Tax Association's (CTA) Executive Director Michelle de Niese said today.

"Today's ninth release of the Corporate Tax Transparency Report is a timely reminder of the crucial role a strong large corporate sector plays in Australia's finances and how crucial it is that Australia has a competitive tax system. The result coincides with a period where much of the world was recovering from the global economic shock of COVID-19 and being buffeted by global economic headwinds."

The \$83.8 billion (an increase of \$15.2 billion from 2020-21 figures) is significant when compared to Australian government expenditure during the same period, where \$43.2 billion was spent on education, \$38.2 billion on defence and \$58.9 billion spent on health and medical services and benefits.

"Whether you look to the record-breaking tax contribution by the large corporate sector as confirmed today or the fact that 83% of the largest businesses in Australia have obtained either a high or medium assurance rating from the ATO, the story is the same - the vast majority of large corporates operating in Australia do the right thing and pay the correct amount of tax."

"For those few in the minority that do not, the public can be confident that they will feel the full weight of a comprehensive and intensive review from the ATO, and the application of the toughest tax integrity rules in the developed world," Ms de Niese said.

In recognition of the ongoing public interest in corporate transparency, the CTA has released updated versions of three publications, which complement and explain the data released today:

- [How the Australian company tax system works](#)
- [Public Tax Transparency - What the numbers do and don't mean](#)
- [Tax Transparency - where Australia currently stands](#)

"The CTA's publication of these documents provides crucial context around how Australia's company tax system works and what the published data released today means in the context of Australia's corporate tax system. Tax is paid on taxable income based on a business's current circumstances adjusted for legitimate prior year losses and offset claims. It is critical that commentary on today's release reflects these facts," Ms de Niese said.

9 November 2023

Media Contact: Simon Staples – 0403 152 157