



9th of December 2016

BATA contributes \$250 million in corporate tax

British American Tobacco Australia (BATA) welcomed the release of Australian Tax Office (ATO) figures today showing that the company contributed over \$250 million in corporate tax.

Released under the ATO's 'tax transparency' measures, the figures are for the 2014-2015 period and show BATA's significant contribution. The exact disclosure is below:

Taxpayer name and ABN	British American Tobacco (Australasia Holdings) Pty Ltd ABN 23095066345
Total Income	\$4,619,869,528
Taxable Income	\$854,551,119
Tax Payable	\$254,814,381

It should be noted that Tax Payable (\$255 million) is in addition to the \$349 million paid by BATA in GST and the \$2.4 billion paid in tobacco excise – all for the 2014 -2015 period. Together, these numbers represent about 70% of the retail price of tobacco products and is collected by BATA on behalf of the government.

"We support transparency in tax dealings with the government and are happy that BATA's significant tax contribution has been disclosed." Said Nick Booth, spokesman for BATA.

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Notes for editors

The difference between the 'Total Income' and 'Taxable Income' in the disclosure is due to two factors:

1. 70% of the retail price of tobacco is made up of excise. As such BATA, like the other legal tobacco companies collects this excise on behalf of the government. 'Total Income' includes this excise. The amount of tobacco excise collected by BATA on behalf of the government was \$2.4 billion in the 2014 – 2015 period.
2. BATA is an Australasian business and receives dividends from subsidiaries in New Zealand, Fiji, Solomon Islands, Samoa and Papua New Guinea. Total dividends equal \$246 million. Tax on the underlying profits was paid in the relevant countries and the dividends are not taxed again in Australia.

These two significant figures are subtracted from our 'Total Income' together with operating costs and other adjustments required under the Australian tax legislation, resulting in 'Taxable Income' of \$855 million for the 2014 – 2015 period.

Key tax contribution for the 2014 – 2015 period

Corporate income tax (Tax Payable)	\$255 million
Fringe benefits tax	\$4 million
State payroll taxes	\$6.4 million

Other taxes collected in the 2014 – 2015 period

Excise	\$2.4 billion
GST	\$349 million

Group information

British American Tobacco (Australasia Holdings) Pty Ltd and its wholly-owned Australian resident subsidiaries are members of a tax consolidated group. The statutory accounts include the consolidated financial results of subsidiaries in New Zealand and South Pacific as well as Australia.

ATO guidance

The Australian Taxation Office has published guidance in relation to the tax transparency disclosures which can be accessed at:

<https://www.ato.gov.au/Business/Large-business/In-detail/Tax-transparency/Tax-transparency--reporting-of-entity-tax-information/>