



## Tax

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# Qantas, Virgin, Netflix and Canva among 1,200 major companies that paid no income tax in Australia in 2022-23

ATO finds 31% of large businesses reported nil tax paid as many companies deducted losses and used offsets to dial their bills down to zero

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A major streaming service, media outlets, big airlines and a pizza chain are among more than 1,200 large companies that paid no income tax in 2022-23, a new ATO report reveals, as many businesses deducted losses and used offsets to dial their tax bills down to zero.

Netflix's Australian operations generated more than \$1.15bn in income in the 2023 financial year, documents show, but had no tax payable.

Airlines Qantas Airways and [Virgin Australia](#) also paid no tax in 2022-23 after they were able to carry forward losses accumulated early in the pandemic. Tech company

Canva also had a zero tax bill.

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A Canva spokesperson said the company complied fully with tax laws and regulations, paying millions each year in payroll tax, fringe benefits tax and other contributions.

“Our focus on R&D not only drives innovation and job creation here in Australia but also qualifies us for the government’s R&D tax incentive, which helps reduce our income tax payable so we can reinvest even more in innovation,” the spokesperson said.

The report makes clear that there are legitimate reasons why some companies might not pay income tax.

When a corporate entity has deductions that exceed its income, it may incur a tax loss that it can use in future years. This can occur when a company is under pressure, or expanding rapidly, which often happens when resources companies are building projects.

Major corporate entities that did not pay tax in the 2022-23 financial year

	◆ Total income (\$) ◆	◆ Taxable income (\$) ◆	◆ Tax payable (\$) ◆
Qantas Airways	19,226,634,349	402,129,862	0
Virgin Australia	5,066,098,934	522,661	0
Mastercard Australia	311,543,150	1,578,060	0
Netflix Australia	1,154,856,145	2,412,844	0
News Australia (News Corp)	1,882,067,468	199,323,750	0
Domino's Pizza Enterprises	704,750,150	13,702,062	0
AGL Energy	13,081,174,849	44,176,438	0
Canva	1,439,798,733	69,922,489	0
QBE Insurance	8,480,510,854	77,561,645	0
Mineral Resources	5,639,538,881	694,387,618	0

Some large businesses also have multiple entities that use transfer agreements to charge other divisions, which can reduce the amount of tax they pay in the jurisdiction where the money is earned.

Under pressure mining and services company, Mineral Resources, generated \$5.64bn in income in 2022-23, but had a zero tax bill.

A company spokesperson said MinRes indirectly paid \$240.8m in income tax through its 50% interest in the entity that owns the Mt Marion lithium mine. The entity paid a franking credit that MinRes used to reduce its cash tax, the spokesperson said.

Online retailer Kogan did not pay income tax in 2022-23. Its financial record shows that it recorded a loss that year.

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News Australia Holdings, which is tied to News Corp, generated \$1.88bn in income in 2022-23, but had no tax payable.

Domino's Pizza Enterprises did not have a tax bill in the 2023 financial year despite recording \$704m in income.

A Domino's spokesperson said the company paid \$171m of income tax in the five years leading up to 2023.

The earnings reduction in 2023, and reduction in tax, was largely attributed to a change in trading conditions in Asia, high inflation, and costs linked to restructuring the business, the representative said.

"As Domino's moves towards more consistent trading conditions, it will become tax payable again," the spokesperson said.

All companies in this story were contacted for comment.

The ATO report found that 31% of large businesses reported nil tax paid, representing 1,253 entities, which was slightly down on previous years. The overall income tax take increased due to higher mining and oil and gas company profits.

"While there are legitimate reasons why a company may pay no income tax, the Australian community can be assured we pay close attention to those who pay no income tax to ensure that they are not trying to game the system," the ATO deputy commissioner Rebecca Saint said.

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