

SENATE ENVIRONMENT AND COMMUNICATIONS REFERENCES COMMITTEE

Oil and gas exploration and production in the Beetaloo Basin

ANSWERS TO QUESTIONS ON NOTICE

Agency: Australian Taxation Office
Topic: Empire Energy Research and Development Tax Incentive

Question:

See: <https://www.theguardian.com/environment/2021/oct/11/empire-energy-received-5m-tax-incentive-for-fracking-gas-well-in-beetaloo-basin>

1. Noting the definition of excluded activities in the *RDTI Guide to Interpretation 2020* (at p. 19), can you advise the committee on what basis did the ATO determine that Empire Energy was eligible for this tax incentive?
2. Noting that the ATO can review an R&D claim, and examine whether expenditure has taken place only on core or supporting R&D activities (*RDTI Guide to Interpretation 2020* at p. 5), can you advise the committee:
 - a. whether the ATO has reviewed Empire Energy's expenditure, and if so, what was the outcome of the review?
 - b. if the ATO has not reviewed Empire Energy's expenditure, what were the reasons for not reviewing the claim?

Answer:

1. Owing to strict taxpayer secrecy requirements, the ATO is unable to comment on specific taxpayers.
2. Owing to strict taxpayer secrecy requirements, the ATO is unable to comment on specific taxpayers.