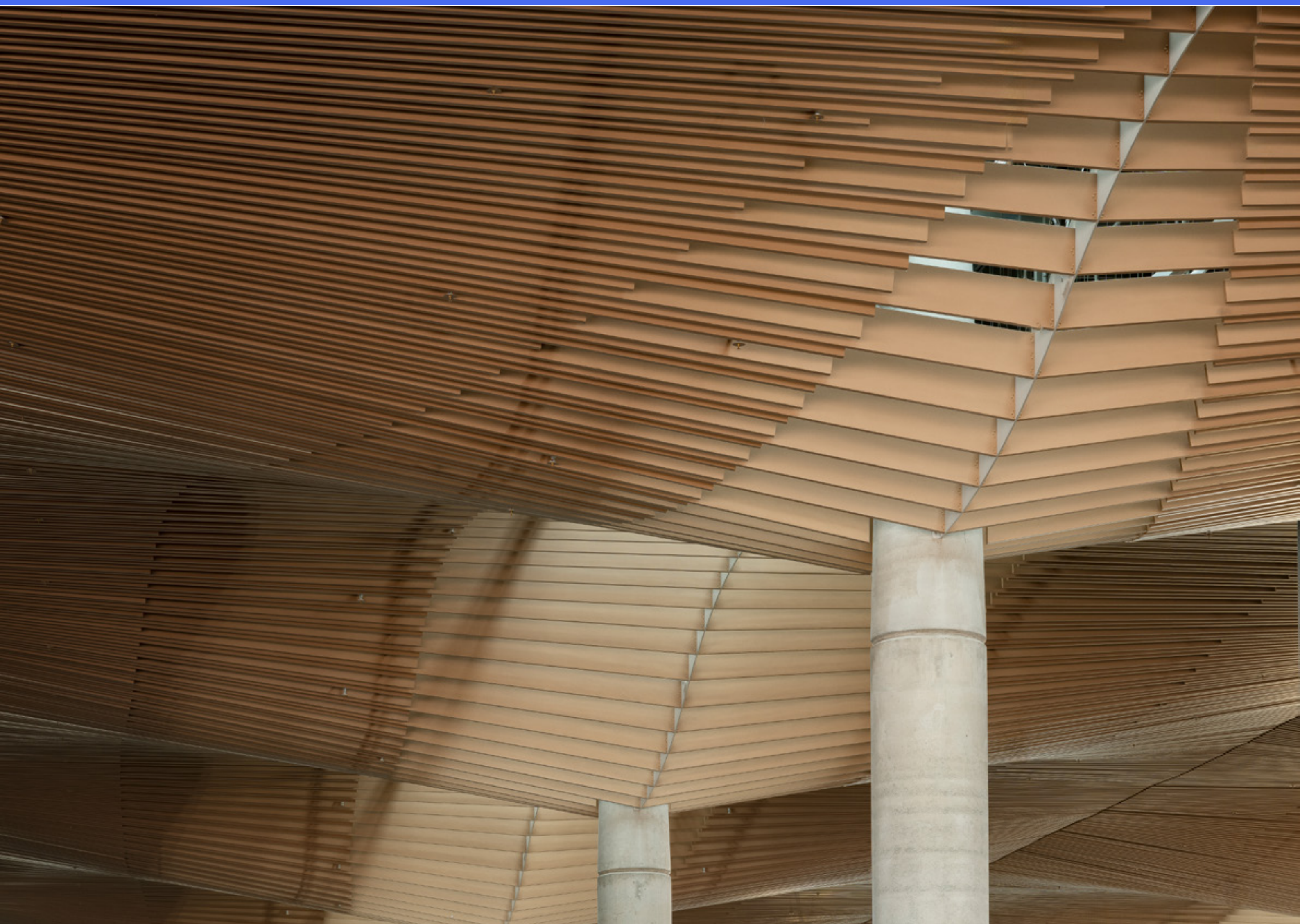
Western Sydney International Airport

Tax Transparency Report 2024–25



Introduction

To improve the transparency of businesses' tax affairs, the Board of Taxation has designed a Tax Transparency Code (TTC) with a set of principles and minimum standards that guide businesses to make disclosures about their tax contribution and compliance with Australia's tax laws.

WSA Co Limited (WSA Co) supports the Australian Government's efforts to promote tax transparency. The business signed up to the TTC in October 2020 and has chosen to disclose the information in this report to give the public additional information to understand its tax position. This reflects WSA Co's intention to maintain a productive and transparent relationship with the Australian Tax Office.

Our business

WSA Co was established by the Australian Government on 7 August 2017 to deliver and operate Western Sydney International (Nancy-Bird Walton) Airport (WSI). An integrated transport hub, WSI is intended to resolve aviation capacity challenges in the Sydney basin. We have now completed all major works packages, comprising the runway, apron, landside roads, bridges and car parks, as well as our state-of-the-art passenger terminal.

The business now enters a period of operational testing, commissioning and live trials, designed to put the airport and the hundreds of essential workers who will operate it each day through their paces. The airport is on-track to open as planned in 2026.

Our vision is to be the gateway of choice to Australia and the world – connecting people, places and opportunity. We will provide best-in-class passenger and cargo journeys, and a seamless travel experience for those choosing to fly through WSI.

WSI is one of Australia's most significant infrastructure projects. WSA Co has become a major direct employer in the region, while also channeling business to numerous local suppliers. This financial year, we participated in and sponsored 30 community activations, engaging directly with 4,920 people and reaching more than 236,363 people across the region. Once operational, the airport's influence will only further increase, driving employment, growth and development across the region and beyond.

WSA Co is a Government Business Enterprise and, as such, is subject to tax just like any large Australian corporate taxpayer. The airport is still in its construction phase, and it is expected that no commercial revenue will be derived until it is close to completion, in 2026. As a result, WSA Co is unlikely to pay corporate income tax for the foreseeable future due to the available tax losses.

Tax strategy and governance

Throughout the development of the project, WSA Co has adopted sound commercial practices and maintained the highest standards of risk management across its operations.

As part of its wider risk framework, WSA Co has established a specific Tax Risk Management and Governance Framework ('the framework') to govern its tax strategy and manage tax risks.

The WSA Co Board has tasked the Audit, Risk and Finance Committee (ARFC) to review the framework every 2 years to ensure it remains fit for purpose.

As part of the framework, the Board has also endorsed the following requirements for WSA Co:

- comply with all tax compliance obligations in a timely manner
- ensure tax risks are considered as part of the overall commercial assessment of any transaction
- take a conservative approach to the assessment and management of tax risk with a view to always being considered by revenue authorities as 'low risk'
- maintain open and transparent relationships with all relevant revenue authorities
- not participate in tax evasion or to facilitate the evasion of tax by a third party in any way
- protect the reputation of WSA Co in relation to tax matters
- proactively engage and communicate regularly with the ARFC and the Board in order to adopt a 'no surprises' approach to the management of tax risk.

Income tax disclosures

The following income tax disclosures for the financial year ended 30 June 2025 include the financial results of WSA Co's wholly owned company, WSI LandCo Pty Ltd (LandCo). The company was incorporated in Australia on 11 November 2023.

Although WSA Co and LandCo are consolidated for financial reporting purposes, they are not consolidated for tax purposes. Notwithstanding this fact, for the current financial and the comparative financial years, the financial results of LandCo were immaterial and therefore have not been disclosed separately from WSA Co for the purpose of this Tax Transparency Report.

Reconciliation of accounting profit to tax expense/tax paid and effective tax rate[1]

Reconciliation of accounting profit to income tax expense

	30 June 2025 $000	30 June 2024 $000
Loss before income tax	(421,772)	(250,265)
Tax at the Australian tax rate of 30%	(126,532)	(75,080)
Increase/(decrease) in income tax expense due to:	-	-
Non-temporary differences	9	7
Temporary differences not recognised	126,523	75,073
Income tax expense	-	-

Reconciliation of income tax expense to income tax paid[2]

	30 June 2025 $000	30 June 2024 $000
Income tax expense	-	-
Movements in temporary differences	-	-
Income tax paid	-	-

Effective tax rate[3]

	30 June 2025 $000	30 June 2024 $000
Loss before income tax	(421,772)	(250,265)
Income tax expense	-	-
Effective tax rate	0%	0%

Total tax contribution summary

	30 June 2025 $000	30 June 2024 $000
Fringe benefits tax	11	2
Payroll tax	2,876	2,513
PAYG	16,153	14,971

[1] Per WSA Co audited consolidated financial statements for the year to 30 June 2025.

[2] As WSA Co does not recognise deferred tax on any of the temporary differences, there is no difference between the income tax expense and income tax paid in the year.

[3] The effective tax rate (ETR) is calculated by dividing the income tax expense by the accounting profit. As WSA Co has no income tax expense in the period, the ETR is zero. The ETR of zero reflects the non-recognition of deferred tax on deductible temporary differences and tax losses incurred in the year. If WSA Co had recognised deferred tax on these amounts, the ETR for the period would be in line with the Australian full company tax rate of 30%.

WSA Co Limited
ABN 81 618 989 272
PO Box 397 Liverpool NSW 1871

wsiairport.com.au
wsiairport
wsiairport
wsiairport
@WSIairport_
Wsiairport

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