

NBI Estimates

Note that this document sets out preliminary thinking for NBI policy specifications and is not the basis for Cabinet's considerations.

[Estimated expenditure based on varied rates:](#)

s 47C, S 47E(d)

- Public information suggests that the value of existing deals is approximately 1.5 per cent of gross annual group revenues generated in Australia by in-scope entities.
- Based on this and assuming the charge base is total gross Australian group revenues, modelling suggests the incentive rate (IR) should be set at 1.5 per cent times by the deduction rate.

s 47C, S 47E(d)

s38, s 47C, S 47E(d)

Data

Revenue Figure

s38 s 47C , S 47E(d)

Approximate Value of Commercial Agreements

AUD \$m

s 47C, S 47E(d)

Widely reported value of Meta deals

70

Revenue Figure
s 47C, S 47E(d)

Approximate Value of Commercial Agreements AUD \$m
s 47C, S 47E(d)

Widely reported value of Meta deals	70
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s 22

s 22



Australian Government
The Treasury

Model: News Bargaining Incentive costing

s 22

s 22

s 47C, S 47E(d)

NBI – 2024 Initial revenue estimates

Platform revenue estimates

Treasury used publicly reported revenue figures for each platform expected to be within scope. Tax secrecy provisions prevent the ATO from sharing tax data, so only public figures could be used.

- Alphabet (Google): [\\$8.4 billion in gross revenue from Australia](#) in 2022.
- Meta: \$4.7-\$5.1 billion in digital advertising revenue for Facebook and Instagram in 2021-22, as [estimated by the ACCC](#). Treasury estimates this comprised almost all of Meta’s Australian revenue given their business model.
- Bytedance (TikTok): [\\$174 million](#) based on TikTok's 2022 Australian subsidiary accounts lodged with ASIC. Note this had grown to [\\$375 million](#) by 2023, and [\\$679 million](#) by 2024.

Platform liability estimates

Treasury then estimated the deals initially reached under the Code as a proportion of revenue. Due to the confidentiality of the commercial agreements, an exact value of the deals made was not available, but it was estimated at approximately \$200-\$250 million per annum. This figure is supported by Rod Sims Report on the Code in 2022.¹

	Indicative Revenue Estimate, 2022 (\$m)	Estimated first-round deals (\$m)	Estimated first-round deals as a proportion of estimated revenue
Alphabet	8,400	s 47C	s 47C
Meta	5,100	70-75	1.43%
Bytedance	174	s 47C	s 47C
Total	13,674	200 - 250	

It was therefore concluded that first-round deals amounted to approximately 1.5 per cent of Australian revenue.

s 47C, s 47E(d), s 38

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Total	13,674	

¹ [Rod-Sims News-Bargaining-Code 2022.pdf](#)