



Petroleum Royalties in Western Australia

As at 1 September 2025

The State's petroleum royalties are collected in accordance with the State's various petroleum legislation. Royalties for the North West Shelf Project are collected on behalf of the Commonwealth Government under Commonwealth legislation.

In Western Australia, all petroleum and geothermal energy existing in its natural form is owned by the State. Petroleum royalties are levied on all petroleum production that occurs onshore, within coastal waters and in North West Shelf Project areas.

Royalty payments and returns are due monthly by the last working day of the following month.

- Use [Royalties Online](#) to electronically prepare, lodge and view royalty returns and production reports.
 - You or your company must be the petroleum title holder, or be authorised by the petroleum title holder.
 - See information and frequently asked questions [about using Royalties Online](#).
- A fine may be imposed for failure to lodge a royalty return or pay an applicable royalty.
 - See compliance information in this document.

Rates

Royalty rates and obligations differ between legislation, with the State administering a wellhead value royalty system.

- *Petroleum (Submerged Lands) Act 1982 (WA)*: This Act applies to fields within a defined coastal waters area. Coastal waters are areas three nautical miles seaward from the baseline, as well as certain subsisting permit areas located within State inland waters.
- *Petroleum and Geothermal Energy Resources Act 1967 (WA)*: This Act applies to onshore areas and waters landward of the baseline of the coastal waters, other than subsisting permit areas under the Petroleum (Submerged Lands) Act.

The defined location of the wellhead and the methodology for calculating wellhead value are usually included in a royalty schedule specific to each producer.

The rate of royalty is normally set at 10% of the wellhead value for a primary production licence and 12.5% of the wellhead value for a secondary production licence.

Royalty obligations for Barrow Island

The *Barrow Island Royalty Variation Agreement Act 1982 (WA)* applies to Barrow Island's economic profit (i.e. gross receipts less deductions) and prescribes a Resource Rent Royalty (RRR) system based on net cash flow.

The Barrow Island RRR is levied at 40% of the net cash flow and is shared between the Commonwealth (75%) and the State (25%).

Royalty obligations for the North West Shelf

The *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) covers petroleum production for fields occurring in the North West Shelf Project areas, for which the Commonwealth administers a wellhead value royalty system. The *Offshore Petroleum (Royalty) Act 2006* (Cth) provides specific provisions assessing and collecting royalties from the North West Shelf Project areas.

The rate of royalty is normally set at 10% of the wellhead value for a primary production licence and 12.5% of the wellhead value for a secondary production licence.

The defined location of the wellhead and the methodology for calculation of wellhead value are usually included in a royalty schedule specific to each field.

Make payments

Make royalty payments by Electronic Funds Transfer (EFT) within the prescribed time. Make sure you reference the Payer Reference Code on the EFT transaction to ensure your payment is allocated against the correct payer/project(s).

Petroleum royalty payments (including Barrow Island)
Bank: Commonwealth Bank of Australia Name: Department of Treasury and Finance – Royalty Revenue Account BSB: 066-040 Account: 12000048
Petroleum royalty payments (North West Shelf Project)
Bank: Reserve Bank of Australia Name: DEPT of Industry Science and Resources Official Administered Receipts Account BSB: 092-009 Account: 118662

Compliance

Penalties for non-compliance

Petroleum title holders recovering petroleum must comply with their royalty obligations. Non-compliance may result in a penalty which is calculated from the time the royalty became payable until it is paid.

RevenueWA will monitor payment and reporting of non-compliance under the respective petroleum legislation, and will apply any potential recovery action and issue penalties.

Compliance assessment process

Royalty compliance assessments are carried out to ensure royalty payers are meeting their obligations.

Before an assessment, a Royalties Officer will contact the payer to advise of the proposed assessment, the data sample required and other documents that need to be provided.

When the assessment has been completed:

- findings are discussed with the royalty payer and they are given the preliminary assessment findings to comment on.
- a compliance report is finalised after comments are received and considered.
 - If RevenueWA and the royalty payer agree on the assessment, a letter is issued to the royalty payer with the findings which may provide for a royalty payment adjustment.
 - If RevenueWA and the royalty payer don't agree on the assessment, briefings are provided to the relevant Ministers and further discussions are held with the royalty payer prior to written advice seeking a royalty payment adjustment.
- Royalty returns are amended (if required) to reflect the assessment findings and royalty payment adjustments are processed.

Contact RevenueWA

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Note: This fact sheet provides guidance only. Refer to the relevant petroleum Acts for complete details.