



Australian Government
Australian Taxation Office

Are you in the business of content creation?



This guide helps individuals who create content understand whether they are carrying on a business.
This guide:

- explains what a content creator is and common activities carried out by content creators
- helps you work out whether you are carrying on a business
- provides examples of when a content creator is carrying on a business
- provides an overview of your tax obligations if you are carrying on a business
- explains your tax obligations if you are not carrying on a business.

What is a content creator?

A content creator is an individual that produces and shares digital content online and receives amounts, including non-cash benefits from such activity.

The goal is typically to inform, entertain, educate, inspire, or persuade through the creation of different types of content.

Common activities of a content creator

Content can take many forms including videos, photos, written pieces, podcasts and live streams. Most content creators publish their content on digital platforms such as YouTube, TikTok, Twitch, Instagram and other websites, blogs, streaming or podcast platforms.

Content creators may do one or all of the following:

- creating and publishing digital content (such as videos, images, written posts or audio) on social media platforms, websites or streaming services
- monetising content through advertising revenue, platform payments, sponsorships, brand collaborations (including modelling and acting for brands), affiliate marketing, subscriptions or digital product sales
- maintaining and managing online channels with the intention of building an audience and generating income
- investing in equipment, software or services to support content production.

Business, side hustle or hobby: why does it matter?

Understanding whether your content creation activities amount to carrying on a business is important because it affects your tax obligations. Your content creation activities may be:

- a business
- an income-producing activity that does not amount to carrying on a business, or
- a hobby or recreational pursuit.

If you're carrying on a business as a content creator, you must:

- declare business income, including non-cash income
- keep appropriate records
- claim only eligible deductions and expenses, and
- meet other tax and reporting requirements.

If you're not carrying on a business, amounts you receive from creating content may still be assessable.

This commonly occurs where you are carrying out a **side hustle**. A side hustle is an activity that you do in addition to your primary job or business to earn additional income. Depending on the particular facts and circumstances, your side hustle may amount to carrying on a business or be an income-producing activity that does not amount to carrying on a business.

It's important to remember that 'not carrying on a business' does not automatically mean amounts you receive are tax-free. Even where your content creation activity is not a business, amounts you receive may still be assessable income and need to be declared in your tax return.

The main exceptions are where the activity is a genuine hobby or recreational pursuit.

A hobby is an activity that is done primarily for personal enjoyment, recreation or leisure rather

than to make a profit. While a person may occasionally receive amounts from a hobby, those receipts are generally incidental to the pursuit of the hobby rather than the reason for doing it. For example, a person may occasionally receive a small prize, gift or other benefit connected with their hobby without the activity taking on a commercial character.

Amounts received from a hobby are generally not assessable income and associated expenses are not tax deductible.

Quick tax summary

Table 1: Tax summary based on activity type

Activity type	Income assessable?	Other tax implications
Business	Yes Declare business income, including non-cash amounts	• Claim eligible deductions and concessions. • Keep appropriate records. • Meet relevant registration obligations (e.g. ABN and GST).
Other income-producing activity that is not a business	Generally, yes Declare income, including non-cash amounts	• Claim eligible deductions. • Keep appropriate records. • Other business obligations such as ABN/GST registration do not apply.
Hobby or recreational pursuit	Generally, no	• Related expenses are not deductible. • No other tax implications.

How do you work out if you're carrying on a business in the content creator industry?

There is no single factor that determines whether you are carrying on a business. You don't need to satisfy every factor below. The factors should be considered together, and the answer depends on the overall impression of your activity. Some factors may be more important than others depending on your circumstances.

The following is a summary of the factors you need to consider when working out if you're [carrying on a business](#):

Your activity has a significant commercial purpose or character:

- Your activities are aimed at generating income through ads, sponsorships, subscriptions or affiliate marketing.
- Your activity is produced with a business mindset and not purely for personal enjoyment or posting for family and friends to see.
- Examples like promoting/modelling for brands, negotiating partnerships, entering into contracts, and running campaigns will reflect a commercial purpose.

There is more than just an intention to carry on a business:

- Your actions demonstrate active effort – actions may include producing content consistently, marketing it, engaging with audiences, networking with brands, and investment in software and services to improve content quality.
- Your activity must demonstrate ongoing commitment.

You intend to make a profit from the activities and whether there is a reasonable prospect of making a profit:

- You could be starting off as a content creator and not be profitable yet, however you may be carrying on a business if your motivation for content creation is to make a profit and you have a genuine plan to earn income from your content creation activities in a future income year.
- The reasonable prospect of making a profit considers whether your activity could realistically make money over time.
- Profitability may take time, and you may still be carrying on a business if you don't make a profit in the early stages of your content creation activities. This is more likely to be the case if you have a structured plan and make ongoing efforts to monetise your content.

Repetition and regularity of the activities:

- You're posting on a consistent schedule (daily or even multiple times a day).
- You engage with followers, comments, live sessions, posting on social media.
- You plan future content, series and campaigns rather than occasional posts.

Your activity is planned, organised and carried on in a business-like manner:

- You have documented strategies, calendars and performance tracking.
- You have contracts with brands and keep records for income and expenses.
- The more structured and organised your activities, the more it demonstrates that the activity is being carried on as a business.

Size and scale of the activity:

- A small following or modest revenue does not automatically mean it's a hobby.
- The consistent posting, audience engagement and investment of resources indicate a commercial activity even if it's at a smaller scale.
- You have multiple platforms being used to reach a broad audience.
- The number of followers, reach and engagement metrics indicate significant audience.
- There is team involvement (editors, talent managers).

Your activity is more than a hobby or a form of recreation:

- Your activity may have started off as a hobby, however it becomes a business once you demonstrate commitment to these factors.

Remember, whether you are carrying on a business as a content creator depends on the overall impression gained when considering these factors. This means that you should consider the indicators individually, in combination, and as a whole.

When does your business start or end

You have **started carrying on a business** when you have moved beyond planning and begin actively creating content with the intention of earning income.

This typically occurs when you have made a clear decision to start the business, acquired equipment and assets needed to operate and actively begun conducting the business activities with the intention of earning income.

Your business has **ended** when you no longer intend to continue the business. This includes being inactive or not creating content, contracts are cancelled, business assets are disposed of, and registrations such as ABN or GST are cancelled.

Examples

Example 1: Carrying on a business (Beauty Influencer)

Mia decides she wants to become a beauty influencer and earn income from creating content.

Before launching her channels, Mia spends several months researching equipment, developing her content style and learning video editing. During this period, she is preparing to start her activities.

Once her channels are established, Mia begins posting 3 to 4 videos each week on YouTube, TikTok and Instagram about makeup techniques, skincare routines and product reviews. She plans her content using a calendar, schedules posts in advance and regularly interacts with her audience through comments and live streams.

Mia invests in professional lighting, cameras and editing software and keeps records of all income and expenses associated with her activities.

The following year, Mia continues producing content at the same rate and begins earning income through sponsorships, cosmetic brand collaborations and advertising revenue.

Mia is carrying on a business as a content creator.

In weighing all the relevant factors, Mia's activity has an overall commercial character. She has moved beyond merely intending to become an influencer and is actively undertaking organised income-producing activities. Her content creation is regular and ongoing, she invests in business assets, keeps records and actively seeks to generate income.

Together, these factors demonstrate that Mia started carrying on a business once she began operating in a structured and commercially focused way.

Income earned from the business must generally be included in her tax return and she may be entitled to claim deductions for expenses related to earning that income.

Example 2: Carrying on a business (Lifestyle Influencer)

Bella is a lifestyle influencer who creates travel, wellness and lifestyle content for several social media platforms.

She posts content multiple times each week, shares daily stories and runs ongoing content series such as hotel reviews and travel guides. Bella maintains a content calendar, schedules posts in advance and actively engages with her audience.

Bella earns income through paid brand collaborations, sponsored posts and sales of digital travel guides. She regularly approaches brands and tourism operators to secure partnerships and negotiates fees and content deliverables.

To improve the quality of her content, Bella purchases filming equipment and editing software.

In her third year as a creator, Bella is invited by a luxury resort in the Maldives to create promotional content. In exchange for agreed deliverables, the resort provides:

- return business class flights to the Maldives
- accommodation at the resort
- meals and on-site experiences.

Bella does not receive a cash payment for the campaign.

Bella is carrying on a business as a content creator.

In weighing all the relevant factors, Bella's activities have a clear commercial purpose and character. She regularly seeks income-producing opportunities, enters into commercial arrangements with businesses and organises her activities in a business-like way. Her activities are repetitive, planned and carried out with the intention of making a profit.

Although Bella's audience is only moderate in size, the overall impression is that she is carrying on a business.

The flights, accommodation and other benefits are provided as part of Bella's business activities and are generally treated as non-cash business income.

For example, if the flights are valued at \$8,000 and the accommodation and other benefits are valued at \$5,000, Bella would generally need to include \$13,000 in her assessable income.

Where a content creator is carrying on a business, free or gifted products, services and experiences received in exchange for promotional activities will generally have tax consequences even where no cash payment is received.

Example 3: Casual poster (Hobby)

Liam enjoys posting dance videos on TikTok and Instagram to share with friends and family.

He posts irregularly and creates content for personal enjoyment. Liam has no sponsorship arrangements, affiliate links, advertising revenue or plans to earn income from his content.

He records and edits videos using his personal phone and the tools available within the social media apps. He does not schedule content, track audience metrics or take steps to commercialise his activities.

Liam is not carrying on a business.

In weighing all the relevant factors, Liam's activities lack an overall commercial character. His content creation is done primarily for personal enjoyment and is not organised or conducted in a business-like manner. He is not seeking to generate income or build a commercial enterprise.

Liam's activities are a hobby rather than a business.

Amounts received from a hobby are generally not assessable income and expenses incurred in relation to the hobby are generally not deductible.

Example 4: A side hustle that is not a business (Travel Blogger)

Sofia writes a travel blog about her personal holidays and shares photos, travel tips and recommendations on her blog and social media accounts.

She primarily creates content for friends, family and other travel enthusiasts. Sofia posts occasionally and does not regularly seek sponsorships, advertising revenue or other commercial opportunities.

During the year, a hotel offers Sofia a one-off payment of \$500 to feature the hotel in a blog post and social media update. Sofia accepts the offer and creates the requested content.

Apart from this arrangement, Sofia has not received any other sponsorship payments and does not have plans to commercialise her blog.

Sofia is not carrying on a business.

In weighing all the relevant factors, Sofia's activities don't have an overall commercial character. Her content creation is not done in a systematic or business-like way and she does not actively seek ongoing commercial opportunities.

However, the \$500 payment is still assessable income.

Although Sofia is not carrying on a business, the payment was received for creating promotional content and must generally be included in her tax return.

This example demonstrates that income can still be taxable even where a content creator is not carrying on a business.

Example 5: Income earned after the business has ceased

Marcus operated a successful YouTube channel that reviewed technology products. He earned income from advertising revenue, sponsorships and affiliate marketing arrangements.

After several years, Marcus decided to stop creating content. He stopped uploading videos, ended sponsorship arrangements, and no longer engaged with viewers or maintained his social media presence.

By the end of the year, Marcus had ceased carrying on a business.

However, many of his older videos remained available online and continued to generate advertising revenue.

Marcus is no longer carrying on a business.

In weighing all the relevant factors, the minimum level of activity required to carry on a business is no longer present. Marcus is no longer creating content, seeking commercial opportunities or operating in a business-like manner.

Although the business has ceased, the advertising income generated from his existing videos remains assessable income.

The fact that the business has ceased does not change the tax treatment of income that continues to be earned from content created while the business was operating.

Table 2: Activity comparison table

Feature	Business	Income-producing activity (not a business)	Hobby
Main reason for creating content	Operate a profit-making enterprise	Earn extra income	Personal enjoyment, self-expression or sharing interests
Intention to make a profit	Yes	Yes	Usually no
Regular and ongoing activity	Usually	Often	Sometimes
Planned and organised	Yes	Limited	No
Commercial relationships	Regular commercial relationships	Occasional arrangements	None
Tax outcome	Income assessable	Income is generally assessable	No tax implications

The indicators in this table should be considered together, having regard to the overall nature and circumstances of the activity. No single indicator is decisive, and the indicators listed are not exhaustive. Other relevant indicators may also need to be considered when determining the nature of an activity.

Activities commonly referred to as a **side hustle** may fall into either the business or income-producing activity (not a business) category, depending on the particular facts and circumstances.

You're in business, what next?

If you're carrying on a business as a content creator, this means you need to:

- Register for an [ABN](#)
- Register for [GST](#) if you are making over \$75,000 annually and once registered
 - You must charge GST on your [taxable sales](#) (including local brand deals or sponsorships)
 - Noting [GST-free sales](#) (payments from foreign advertising networks) count towards your \$75,000 registration threshold

- You can claim [GST credits](#) on business expenses
- You must lodge [Business Activity Statements \(BAS\)](#)

- Have a look at what type of [small business concessions](#) and [deductions](#) you can claim
 - For example, you create makeup tutorial videos for YouTube and are considered running a business based on the factors previously discussed. Any makeup featured and used **only** in those tutorials would be deductible. If you used the makeup in both the tutorials and your personal life, you could still claim a deduction for **some** of the cost of the product.
- Consider [pay as you go \(PAYG\) instalments](#) if you're concerned about ending up with a tax bill at the end of the financial year. This allows you to pay your tax throughout the year in smaller, more manageable amounts.
- Look into contributing to your own [superannuation fund](#).
- Maintain records of all transactions relating to your business and keep them for at least 5 years. For more information see [Records you need to keep](#).

- Consider completing Small Business essentials training to improve your business knowledge. For more information see [Essentials for strengthening your small business](#).

How do I declare my income?

When you're carrying on a business, the [income you must declare](#) includes:

- [foreign income](#)
- cash
- platform ad revenue
- fees for appearing at events or advertising products/services
- sponsorship and brand deals
- affiliate commission
- subscription income
- tips and donations and
- gifts/promotion of product (market value)

You need to declare [non-cash benefits such as products or services](#) as income on your tax return.

Still unsure whether you're carrying on a business?

You can:

- read more about the business indicators on our website [Are you in business?](#)
- review information about [Tax tips for managing your side hustle](#) if your activity is a side hustle or other income-producing activity
- consider improving your business knowledge as a content creator by completing the [Content, clicks, income and tax course](#) on [Essentials for strengthening your small business](#)
- speak with a registered tax professional who can help you understand how the rules apply to your circumstances
- apply for a private ruling if you would like the ATO's view on your circumstances see [Applying for a private ruling](#).

This is a general summary only.

For more information, speak to a registered tax professional.

This information is for individuals or sole traders only.
It does not cover specific circumstances for companies, partnerships or trusts.