



## Restaurants

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- <https://www.ato.gov.au/Business/Small-business-benchmarks/In-detail/Benchmarks-A-Z/R-Z/Restaurants/>
- Last modified: 21 Feb 2018
- QC 43683

## Restaurants

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Businesses in this industry sell food and drink, generally for consumption on the premises.

### Performance benchmarks

These benchmarks use information reported on tax returns and activity statements for the 2015–16 financial year, and are updated each year. This is the most current data.

The benchmarks show ranges of business income to business expenses that you can use to compare your performance against similar businesses in your industry.

### Key benchmark range

Cost of sales to turnover is the key benchmark range for this industry – it is likely to be the most accurate when predicting business turnover. If you don't report cost of sales, or only report a small amount, use total expenses to turnover as your key benchmark range instead.

Generally, you should fall within the key benchmark range for your particular annual turnover.

Falling outside the key benchmarks for your industry may indicate your business has room for improvement.

It may also be worthwhile checking you reported all income and accounted for any trading stock you may have used for private purposes, as these can affect your results. Certain businesses can use amounts we accept as estimates, check if they are available for you.

See also:

- [Compare your business now](#)
- [Using stock for private purposes](#)

## 2015–16 financial year

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### Tax return – key benchmarks for 2015–16

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Cost of sales/turnover	31% – 37%	33% – 37%	31% – 36%
Average cost of sales	34%	35%	34%
Total expenses/turnover	81% – 90%	87% – 93%	89% – 94%
Average total expenses	86%	90%	92%

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### Activity statement – key benchmarks for 2015–16

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Non-capital purchases/ total sales	56% – 67%	53% – 62%	51% – 59%

### Other benchmark information that may assist your business

Not all expenses, such as those below, are reported by every business.

Because there are fewer businesses in your industry that report this information, only use this information as a guide if it applies to your business.

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### Tax return – other benchmarks for 2015–16

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Benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Labour/turnover	18% – 28%	23% – 31%	27% – 32%
Rent/turnover	13% – 19%	9% – 14%	6% – 10%

## Performance benchmarks – previous years

- <https://www.ato.gov.au/Business/Small-business-benchmarks/In-detail/Benchmarks-A-Z/R-Z/Restaurants/?page=2>
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Note: this information does not apply to the current year. Check the content carefully to ensure it is applicable to your circumstances.

### 2014–15 financial year

These performance benchmarks were developed using information reported on tax returns and activity statements for the 2014–15 year.

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#### Tax return – key benchmarks for 2014–15

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Cost of sales/turnover	31% – 37%	33% – 37%	31% – 36%
Average cost of sales	34%	35%	33%
Total expenses/turnover	80% – 89%	86% – 93%	90% – 95%
Average total expenses	85%	90%	92%

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Activity statement – key benchmarks for 2014–15

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Non-capital purchases/ total sales	56% – 67%	52% – 62%	51% – 60%

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Tax return – other benchmarks for 2014–15

Benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Labour/turnover	18% – 27%	23% – 31%	27% – 32%
Rent/turnover	13% – 20%	9% – 14%	7% – 10%

2013–14 financial year

These performance benchmarks were developed using information reported on tax returns and activity statements for the 2013–14 year.

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Tax return – key benchmarks for 2013–14

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Cost of sales/turnover	31% – 37%	32% – 37%	30% – 36%
Average cost of sales	34%	35%	33%
Total expenses/turnover	80% – 89%	86% – 93%	89% – 94%
Average total expenses	85%	90%	92%

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Activity statement – key benchmarks for 2013–14

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Non-capital purchases/ total sales	56% – 68%	52% – 62%	50% – 59%

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Tax return – other benchmarks for 2013–14

Benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Labour/turnover	17% – 26%	23% – 31%	27% – 32%
Rent/turnover	13% – 20%	9% – 14%	7% – 10%

2012–13 financial year

These performance benchmarks were developed using information reported on tax returns and activity statements for the 2012–13 year.

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Tax return – key benchmarks for 2012–13

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Cost of sales/turnover	31% – 37%	33% – 37%	30% – 35%
Average cost of sales	34%	35%	33%
Total expenses/turnover	80% – 89%	86% – 93%	90% – 94%
Average total	84%	90%	92%

expenses			
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### Activity statement – key benchmarks for 2012–13

Key benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Non-capital purchases/ total sales	56% – 68%	52% – 62%	49% – 59%

### Tax return – other benchmarks for 2012–13

Benchmark range	Annual turnover range		
	\$65,000 – \$500,000	\$500,001 – \$2,000,000	More than \$2,000,000
Labour/turnover	17% – 26%	22% – 30%	27% – 32%
Rent/turnover	13% – 20%	9% – 14%	7% – 10%

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Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

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