

# Tax bads, not goods

## Alanna Hartzok's six-point green action list for tax reform.

- Tax pollution: directly levy pollution charges and collect the revenue – not issue tradeable carbon permits enabling polluters to profit from their pollution.
- Levy taxes on non-renewable energy. Energy taxes can be regressive, so combine them with tax decrease on wage incomes, and launch 'buy and invest in clean and green' campaigns.
- Levy land value taxes/capture while reducing taxes on buildings, particularly in the urban areas, to encourage infill, more efficient use of public transport and infrastructure, and the direction of funds into new 'green energy' technologies, and discourage energy-wasteful sprawl and non-productive investments.
- Capture the 'unearned income' from land and natural resources for much-needed government revenue that could be directed to public investment in 'green' public infrastructure, and lower taxes on sustainable and environmentally sensitive design and production. This tax shift combination will get the signals and incentives right for the energy shift necessary to address climate change.
- Encourage more labour-intensive, organic agriculture, rather than oil-intensive giant agribusiness. Land value capture will help keep land affordable for small farm agriculture, and better reward farmers for their labour as their tax burden is decreased or eliminated. This form of agriculture also encourages healthy communities and decentralised, local-based economies – decreasing the necessity for people to drive long distances to work.
- Consider Peter Barnes' Sky Trust, which 'land values' the sky and captures rent (see [L&L 1203](#)). A Sky Trust is a scarcity rent recycling machine. The formula driving the machine is this: from all according to their use of the sky, to all according to their equal ownership of the sky. Those who burn more carbon pay more than those who burn less. If you drive a bigger car, you pay for a bigger carbon parking space. Yet, as equal beneficial owners, all receive an equal share of the scarcity rent. Thus, you'll come out ahead if you burn less carbon, but lose money if you don't. Money will flow from overusers of the sky to underusers. This isn't only fair; it's precisely the incentive we need in order to crank down pollution.

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