Carbon tax, potential to help economy, environment

Different types of implementation around world

What is a carbon tax? Should there be one in America? These are questions that legislators and environmentalists are asking themselves, as more countries around the world start to put a tax on the amount of carbon dioxide that is released. This would help curb greenhouse gas emissions, and therefore fight the fight against climate change around the world.

Typical carbon taxes come in two ways. One is a tax for all consumers on carbon that is expected to be released, say a $15 charge per metric tonne, as recommended by in a bill that was introduced in the Senate. It was quickly dropped, as American people are tired of being taxed.

There is also a type of tax called a “cap and trade.” Businesses are allotted a certain amount of pollutants to release, and if they don’t use all of the allotted pollutants, they can sell this excess to other companies so they can emit more. This would increase business and trade between the large companies in the US.

After researching the topic in AP Environmental Science (APES), sophomore Leila Tajana thinks it is a good idea to have a tax.

“After research we concluded that taxing upper level energy producers that burn large amounts of coal would be better than taxing the public,” Tajana said.

Proceeds from the tax could either go towards the funding of energy subsidies for wind, water, and solar power, or it could go back into the pockets of taxpayers. Nothing is as simple as it looks, though. In a country as large as the US with so many international businesses, many fear that a carbon tax would scare away potential industries who would come here. Some say that with the implementation of yet another tax, blue collar jobs would continue to move out of the US, into countries with a smaller carbon tax, or none at all, with lower working conditions.

 “Our group is opposed to the idea since there is no evidence that it would lower the amount of carbon in the atmosphere. Plus the average family would pay $2,500 on average in taxes, per year ” Coleman said.

Former Vice President and environmentalist Al Gore thinks that a tax is necessary.

“The struggle against poverty in the world and the challenge of cutting wealthy country emissions has a single simple solution. Here it is: Put a price on carbon,” Gore said.

Many countries around the world have already started implementing a tax, like in Canada, or a cap-and-trade program, like England.