



BRENDAN MOORE
Enterprise Sales Tax Solutions



Corporate Greening - The Bottom Line

Commodity Taxation and the Greening Agenda

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Carbon Taxes

- BC
 - July 1, 2008 on fossil fuels
 - \$10 per tonne CO2 emissions, rising by \$5 increments annually to \$30 per tonne of CO2 emissions at July 1, 2012
 - Revenue neutral
- Quebec
 - October 1, 2007, on fossil fuels
 - Large fuel distributors, collected in four instalments with annual filing
- Manitoba
 - \$10 per tonne carbon emissions tax on coal products effective July 2011



Carbon Cap and Trade Systems

- The Western Climate Initiative
 - 7 US states, BC, MB, ON, QC (NS and SK have observer status)
 - Introduction Jan 1, 2012, fully implemented by 2015
 - Emissions limits; businesses acquire permits at auctions; carbon offsets can be purchased
- BC Pacific Carbon Trust
 - Established to purchase and sell offsets
- Alberta Carbon Credit Offsets (Climate Control Program)
 - For emitters > 100k tonnes of emissions per year: purchase offset credits for \$15 per tonne or make contributions at \$15 per tonne to environmental control fund
- Ontario-Quebec Cap and Trade System?
- Federal CanAm Cap and Trade System?



Fuel Taxes and Levies

- Bio-Fuel and Renewable Fuel Programs
 - Direct relief for environmentally-friendly fuels
 - Atlantic Energy Framework for Collaboration (Atlantic Provinces) establishes policy to support use of bio-fuels and develop renewable energy sources
 - BC has enacted a 0.4% levy on hydro, natural gas, propane and fuel oil to \$100,000 p.a. max



Sales Tax Exemptions/Rebates

- Production equipment exemptions for pollution control
- Hybrid and other alternative energy use vehicles
- Alternate energy source vehicle conversion costs
- Building materials and renewable energy power generation equipment
- Renewable energy air and water heating systems



Stewardship Programs

- Tires and beverage containers (all provinces and Yukon)
- Used oil products (all provinces except ON where under development)
- Electronics (BC, AB, SK, Atlantic provinces)
- Paint (NS)
- Paint containers (QC)
- Batteries (BC and PEI)
- Pharmaceuticals (BC)
- Non-bio-degradable packaging (ON)
- Various municipal waste recycling or collection programs
- National programs for rechargeable battery recycling; refrigerant disposal, pesticides and pesticide containers



Where Are We Going?

- Plethora of systems - only going to get worse
- No national program
- Carbon taxes penalize those that can't avoid them and do nothing to encourage industries to conserve or reduce
- Carbon taxation leaves conservation in hands of government
- Cap and trade systems throw emphasis on industry
- Lack of agreement on measurement systems for emission savings, cost of emission damage (as measured by caps and carbon tax rates)
- Tough to separate hyperbole from fact (CA emissions standards, copied by Quebec, trumped (?) by Obama, coat-tailed by Canada)



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Thank You

Questions?

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