



Green Tax Shift Proposal

- Reduce Greenhouse Gas Emissions
- Increase Employment
- Revenue Neutral

– ***The Easy Climate and Job Creation Solution***

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The **NewAustralia** Submission to the Senate Select Committee on Climate Policy.

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Carbon Pollution Reduction Scheme Problems

- Reduction limited to the cap of 5%
- Huge subsidies for fossil industries.
- Manipulation through use of dubious carbon credits
- Methane emissions are excluded
- No incentives for voluntary reductions
- Opportunity for Tax Cuts is missed.

What We Tax Now

There is no tax on carbon or methane emissions except for fuel excise. Instead we tax:

- **Jobs** *Payroll Taxes levy \$14 Billion on Jobs – **Why?***
- **Low Income Earners** *Australia's Tax Free Threshold is only \$6,000 – **Why?***
- **Vehicle Ownership** *Registration is charged at a flat rate, irrespective of usage – **Why?***

Proposed Green Tax Shift

A revenue-neutral shift that creates employment!

- **Abolish Payroll Tax** *States compensated with **Climate Tax** revenue.*
- **Abolish Vehicle Registration** *States compensated with **Climate Tax** revenue. States in turn directly fund third party insurance schemes where these were included in the 'rego'. (E.g. Victoria).*
- **Increase the Tax Free Threshold** *Funded with **Climate Tax** revenue.*

The Climate Taxes

These taxes will quickly act to encourage efficiency and renewables.

- **Carbon Tax** *Levied at the power station or refinery.*
- **Methane Tax** *Levied on livestock on a per head basis depending on the type of stock.*
- **Logging Tax** *Increase the price of logs to reflect their value as a carbon store.*

Notes:

1. There is no set 'cap' on emissions – these taxes keep working to drive down emissions.
2. Tax levels set to make this change revenue neutral.

Eco-Tax Rebate

An Eco-Tax Rebate should be paid to no/low income earners based on the estimated average cost of the Climate Taxes to no/low income earners in each region.

Further Information

See www.NewAustralia.net.