Carbon taxes in Washington

Stories

<u>Planet Money episode 472: The One-Page Plan To Fix Global Warming ... Revisited</u> Washington I-1631 results: price on carbon emissions fails to pass, David Roberts

Questions

- 1. The Planet Money story takes a drive with John Reilly in his Infiniti to discuss the impacts that a carbon tax might have on his transportation decisions. What are two ways in which a tax on the carbon in gasoline might reduce John's transportation emissions, that tighter fuel economy standards for cars would not?
- 2. The authors of Washington State's I-732 sought to create a revenue-neutral carbon tax in which all tax revenues are returned to Washington residents. How can a policy that returns all tax revenues back to the people paying the tax reduce carbon emissions?
- 3. One frequent concern about carbon taxes is that they can be regressive, i.e. lower-income households would pay a higher share of their income to the tax than high-income households.
 - a. How did the authors of I-732 try to address this concern?
 - b. How did the authors of I-1631 try to address this concern?
 - c. Which approach do you think would do more to support low-income communities and communities of color?