Concrete Plan for Environmental Tax (basic outline)

Purpose	To require all taxpayers, including businesses and households, to be involved in a fair contribution to climate change measures according to their volume of emissions. To promote large emitting businesses to take measures by enlightening tax rate on those which make efforts to reduce emissions.
Objects of the taxation	All types of fossil fuels.
Stage at which the tax is imposed	(1) Households & offices 　　kerosene, gasoline, LPG (Stage of shipment from refineries) (2) Factories 　　coal, heavy oil, light oil, natural gas, jet fuel 　(Paid by tax return by large emitting companies) (3) Electric producing companies, city gas producing companies 　　material for producing electricity and city gas 　(Paid by tax return)
Tax rate	2,400 yen/carbon ton 　* Tax on the material for producing electricity is supposed to be 0.25 yen/kWh) 　* gasoline 1.5 yen/L, etc.) 　* Tax burden on an average household: 2,000 yen a year (170 yen a month) **>>> Tax on gasoline, light oil, and jet fuel is tax-free for the time being considering the rise of oil prices these days, etc.**
Tax revenue	360 billion yen

Relief measures	○ **Ensuring international competitiveness and the incentive to reduce emissions** • Coal for manufacturing steel, coke and other substances are exempt from the taxation. • Enlighten tax rate on the large emitting businesses by 80% on condition that they make efforts to reduce CO2 emissions. • Enlighten tax rate on kerosene is reduced by 50% considering its high demand in the cold latitudes.
How the tax revenue is to be spent	For measures against global warming in businesses and households -to promote energy saving houses & buildings -to promote low emitting cars -to promote renewable energy like biomass, wind power, solar power, etc. -to manage and maintain forestry
Effects (trial calculation)	Volume of CO_2 reduction 43 million tons (Around 3.5% reduction compared to the base year)