

HOW TAXES CAN HELP THE ENVIRONMENT

Our tax system has many strengths but the Tax Working Group thinks it could do more to help the environment.

CHECK OUT CHAPTER 4
OF THE FINAL REPORT AT

taxworkinggroup.govt.nz

NEW ZEALAND FACES SOME SERIOUS CHALLENGES:



We're losing our biodiversity



Our rivers and lakes are
under pressure



And big changes are needed
to combat climate change

THERE ARE DIFFERENT WAYS WE CAN TACKLE THESE ISSUES.



One option is to put a tax on
harmful activities, making them
more expensive



Another option is to introduce
rules and regulations



Or the Government could just ban
certain activities altogether

THE GROUP HAS COME UP WITH A FRAMEWORK FOR DECIDING WHEN TAX IS HELPFUL.



Based on this, the Group
thinks New Zealand could
do more with taxes to
address waste disposal...



...and traffic congestion...



... while also strengthening
the **Emissions Trading
Scheme.**

New environmental taxes could generate **more tax revenue for the Government**. The Group thinks that money should be spent to help transition to an **environmentally sustainable economy**.

Looking further ahead, environmental taxes could grow to form a **greater chunk of the overall tax mix**.



HOW SHOULD MORE ENVIRONMENTAL TAXES BE INTRODUCED?



Check out Chapter 4 of the Final Report at taxworkinggroup.govt.nz to read more about the Group's decision-making framework for environmental taxes.

It's important for New Zealand that we get this right.