
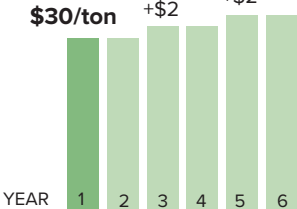








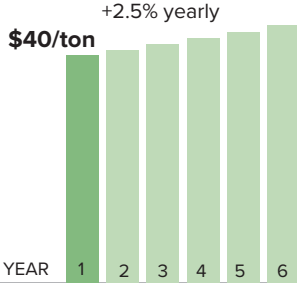



July 26, 2019

3 new carbon tax bills to be introduced – from both parties

Legislators from both parties are introducing bills in the House and Senate that would mandate carbon taxes to reduce carbon emissions. The three bills would use the revenues primarily for distribution to low- and middle-income Americans, with the remainder targeted for clean energy research, development and investment.

SPONSORS	WORKING TITLE, GOAL	TAX RATES	REVENUES
<div><div>Rooney represents Florida’s 19th district, a coastal region exposed to rising sea levels.</div><div><div>Rep. Francis Rooney (R-Fla.)</div></div></div>	<div><div><b>Rooney Carbon Tax Reform</b> Designed to reduce energy-related carbon pollution 42 percent by 2030, compared with 2005 levels.</div><div><div>GOAL</div><div><div>2005: 6,769 million metric tons of CO<sub>2</sub>e emissions from energy use*</div><div>42% reduction by 2030</div></div></div></div>	<div><div><b>\$30 per metric ton</b> of CO<sub>2</sub>-equivalent emissions on fossil fuel producers and large industrial emitters. Additional \$2 per ton increase every two years, if emissions reduction goals are not met.</div><div></div></div>	<div><div><b>70 percent of revenues</b> used to reduce payroll taxes; 30 percent would fund research and development for clean energy, and state block grants to compensate low-income households for higher energy costs.</div><div></div></div>
<div><div><div>Sen. Chris Coons (D-Del.)</div></div><div><div><div>Sen. Dianne Feinstein (D-Calif.)</div></div><div><div><div>Rep. Jimmy Panetta (D-Calif.)</div></div></div></div></div>	<div><div><b>Climate Action Rebate Act</b> Designed to reduce U.S. carbon emissions 55 percent by 2030 and 100 percent by 2050, compared with 2017 levels.</div><div><div>GOAL</div><div><div>2017: 6,457 million metric tons of CO<sub>2</sub>e emissions</div><div>55% reduction by 2030</div></div></div></div>	<div><div><b>\$15 per metric ton</b> of CO<sub>2</sub> equivalents generated by emissions-heavy companies. The tax rate rises quickly if targets are not met. Exemptions and rebates would be provided for carbon capture, utilization and sequestration, nature-based carbon sinks and non-emissive uses such as chemicals production.</div><div></div></div>	<div><div><b>70 percent of revenues</b> to low- and middle-income Americans as a monthly dividend; 30 percent would go to investments in clean energy and provide help for workers and communities transitioning to a clean-energy economy.</div><div></div></div>
<div><div><div>Rep. Dan Lipinski (D-Ill.)</div></div><div><div><div>Rep. Francis Rooney Co-sponsor (R-Fla.)</div></div></div></div>	<div><div><b>Raise Wages, Cut Carbon Act</b> Designed to reduce U.S. carbon emissions to 20 percent of 2005 emissions. Also imposes carbon tax on imported products unless they were already taxed in their country of origin.</div><div><div>GOAL</div><div><div>2005: 6,769 million metric tons of CO<sub>2</sub>e emissions from energy use*</div><div>80% reduction before tax rate increases cease</div></div></div></div>	<div><div><b>\$40 per metric ton</b> of CO<sub>2</sub> equivalents; imposed on coal, petroleum, natural gas and fluorinated greenhouse gases at the point where they are extracted or produced. The tax rate would increase 2.5 percent per year, plus inflation, with increases stopping when the target level is reached.</div><div></div></div>	<div><div><b>85 percent of revenue</b> to reduce payroll taxes; 10 percent to social security beneficiaries; 5 percent to Low Income Home Energy Assistance Program; 1 percent to Weatherization Assistance Program.</div><div></div></div>

Sources: EPA; offices of Coons, Feinstein, Lipinski, Panetta and Rooney; POLITICO staff reports

By Patterson Clark,  
POLITICO Pro DataPoint

\* All economic sectors, minus agriculture

Click for more information about DataPoint,  
and your Account Manager will follow up shortly.