

Judy Weiss: Here's how carbon tax and cigarette tax differ

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Dear Editor: Kudos to [Christopher Rodel](#) for carefully reading [Mark Reynolds' column](#) on using carbon taxes like cigarette taxes to reduce emissions in the same way we reduced cigarette smoking. Rodel hit on the key way in which carbon taxes are not like cigarette taxes. Cigarette taxes are retained by the government to fund whatever politicians want to fund.

Carbon taxes should be returned to the public to help consumers deal with price increases and pay for efficiency upgrades. Rodel logically asks: Why bother taxing just to refund the tax?

This is where carbon taxes and cigarette taxes differ. Cigarette taxes just try to stop behavior harmful to public health, but don't attempt to encourage a replacement industry.

Carbon taxes encourage private investors to see better investment opportunities in clean energy systems than in fossil fuel investments (because with a carbon tax, fossil fuel energy will become too expensive). Then why doesn't the government keep the taxes and fund clean energy itself? Because the government has a lousy track record choosing which technologies and businesses to support. Private investors do a better job.

Great questions. Let's enact a revenue-neutral carbon tax (with border adjustments) to encourage investors to move funds into clean energy. Thus we will have more clean energy at cheaper prices. The public will be happier and healthier, and the climate will stabilize.

I encourage Rodel to join [Citizens' Climate Lobby](#) and help us lobby Congress to pass climate legislation.

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http://host.madison.com/ct/news/opinion/mailbag/judy-weiss-here-s-how-carbon-tax-and-cigarette-tax/article_2877aff3-5b93-576c-b7b4-71a21cc256c0.html