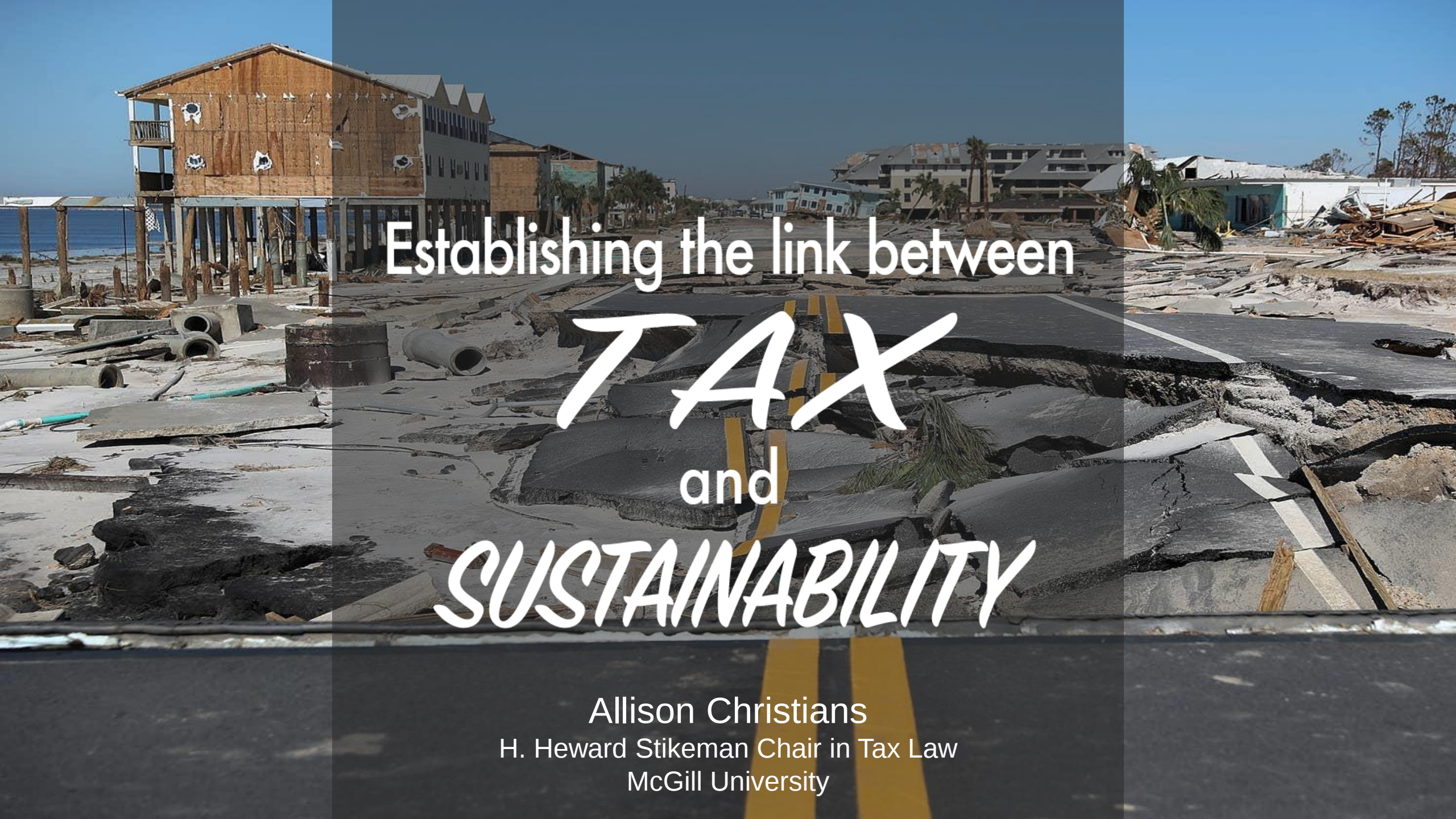


An aerial photograph of a town that has been almost completely destroyed, likely by a wildfire. The remaining structures are skeletal remains of buildings, with roofs missing and walls partially collapsed. The town is surrounded by a dense forest of tall, thin evergreen trees. The ground is covered in ash and debris. The overall atmosphere is somber and desolate. The word "How" is overlaid in the center in a large, white, serif font.

How

A photograph of a coastal town after a disaster, showing damaged buildings and a cracked road. The image is split into three vertical panels. The left panel shows a two-story wooden building with significant damage to its exterior. The middle panel shows a road with a large crack running down the center. The right panel shows a damaged building with debris scattered around it.

Establishing the link between

TAX and SUSTAINABILITY

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H. Heward Stikeman Chair in Tax Law
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inefficiency

Non-sustainable goods and services externalize social, economic, and environmental costs



tax.
competition

Governments reduce tax even when revenue is needed to address externalities
+ provide infrastructure



market
distortion

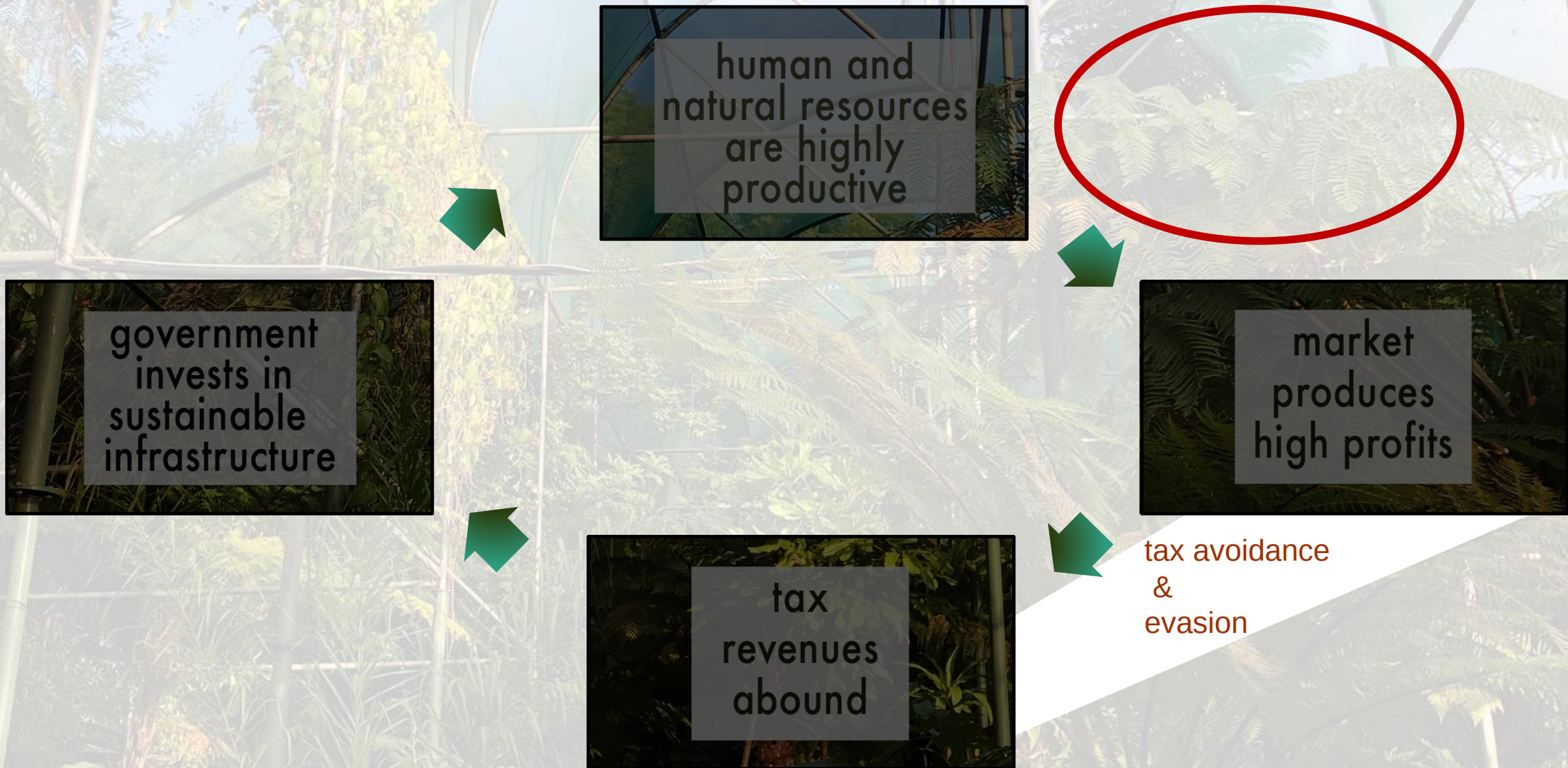
Cost-internalized goods and services are non-competitive



solutions
needed

Determine how tax policy can be used to channel investment from unsustainable to sustainable alternatives

Virtuous Cycle: Tax and Sustainable Development

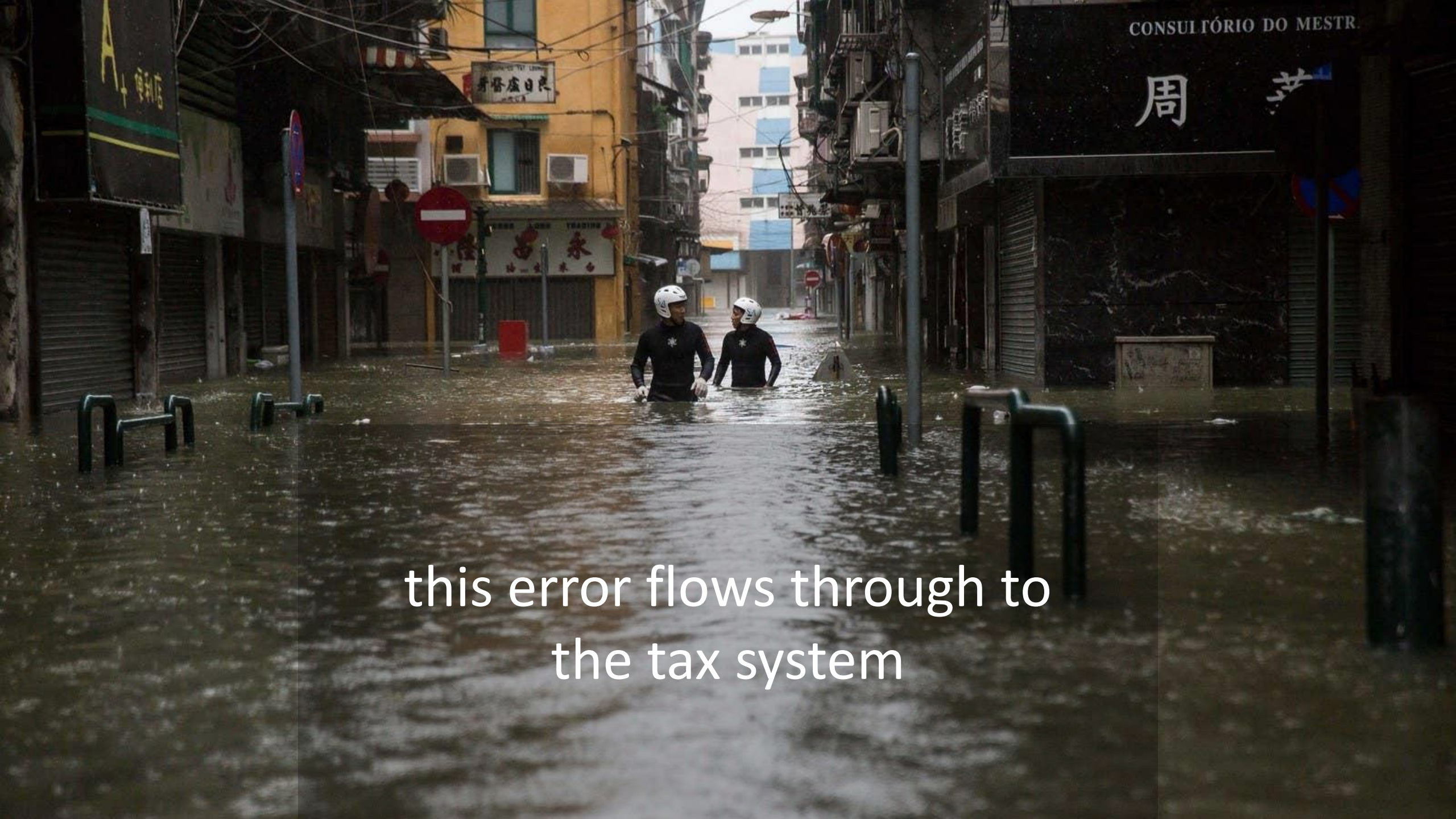


what about
externalized
costs?

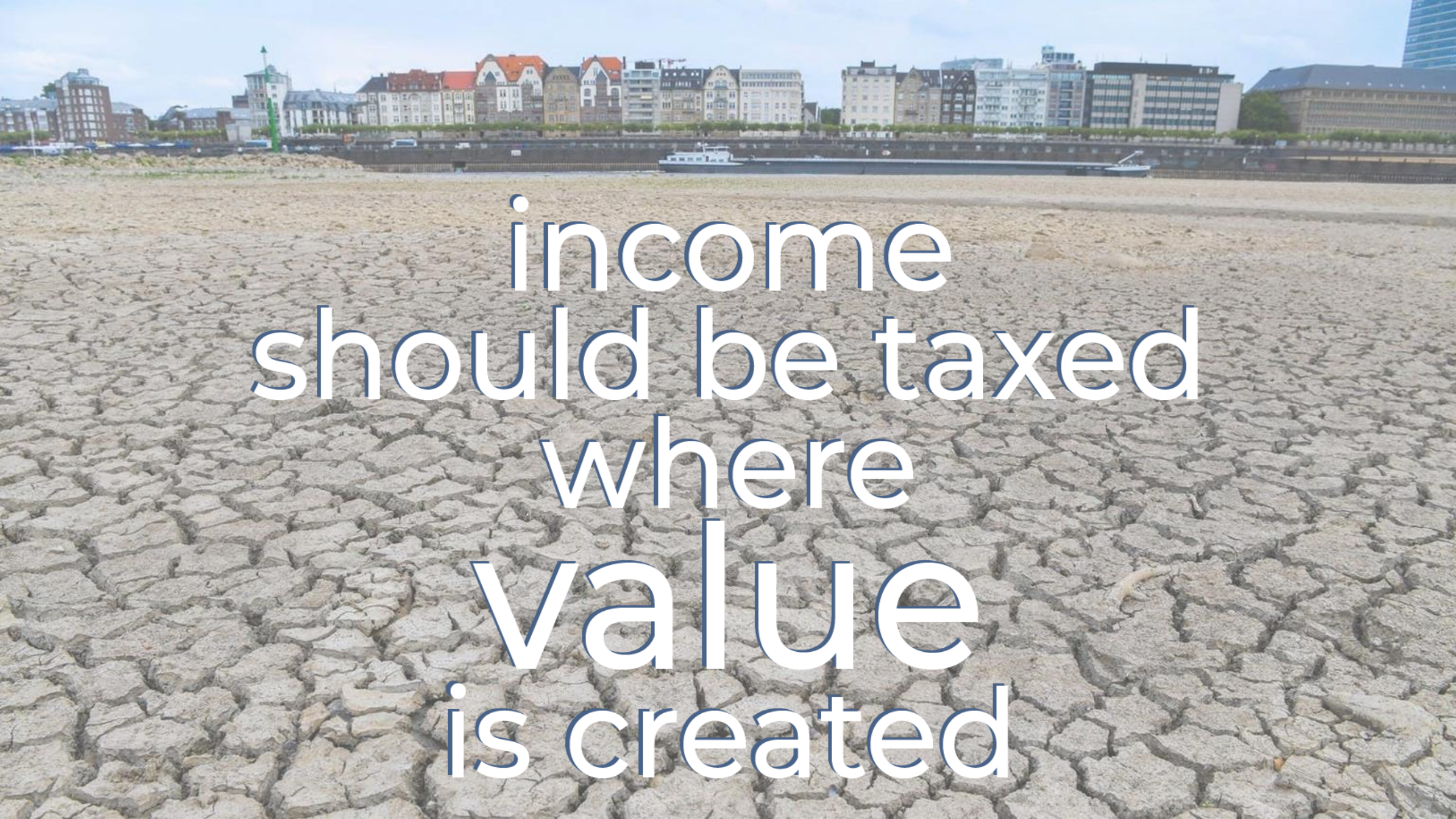


environmental impacts should be reflected in public company income statements “because otherwise [the stated] earnings are **wrong.**”





this error flows through to
the tax system



income
should be taxed
where
value
is created

Preventing and abating
environmental destruction is
costly

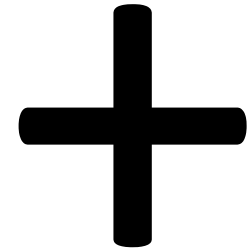




to



we can
do more







An aerial photograph showing a town completely destroyed by a wildfire. The houses are reduced to piles of ash and charred wood. The streets are empty and covered in a layer of fine ash. Tall, dark evergreen trees stand on the edges of the destroyed area, their green needles contrasting with the brown ash. The sky is hazy with a light orange tint, suggesting the aftermath of a fire.

How