



Table 34. Taxation

Initiative 34: Taxation	
Description: Initiatives used to raise revenues and foster behavior changes that will lead to public benefits	
Targeted mode: All traffic, large trucks	Geographic scope: Nation, city
Type of initiative: Pricing, incentives, and taxation: taxation	Primary objective: Generate revenue
Expected costs and level of effort to implement: The planning process should involve extensive stakeholder engagement to analyze potential impacts. Care should be taken to ensure that the objectives of the taxation policy are clear, and that the type of taxation chosen will reach the intended decision maker. As with other types of taxation, this initiative may encounter political opposition.	
Advantages: <ul style="list-style-type: none"> • Revenue generation • Designed as a mix of incentives and penalties: <ul style="list-style-type: none"> - May be more effective than punitive policies - May gain society support 	Disadvantages: <ul style="list-style-type: none"> • Low probability for unintended consequences: <ul style="list-style-type: none"> - Tax signals may not reach key decision makers - May induce undesirable behavioral changes • Difficult to define the optimal charge
Examples: <ul style="list-style-type: none"> • The U.S. Environmental Protection Agency SmartWay program (U.S. Environmental Protection Agency 2013) • Stockholm, Sweden electric vehicle program (Vittoriano et al. 2011) • Hong Kong Environmental Protection Department (Hong Kong Environmental Protection Department 2011) 	
	
<p>Source: Nagurney et al. 2002</p>	
	
<p>Source: Vittoriano et al. 2011</p>	
Related alternatives: 1. Emission Standards ; 2. Road Pricing ; 3. Relocation of Large Traffic Generators (LTGs)	
References: City Ports 2005; BESTUFS 2007; Hong Kong Environmental Protection Department 2011; Vittoriano et al. 2011; U.S. Environmental Protection Agency 2013	