

Climate at a Glance: Carbon Dioxide Tax

Bullet-Point Summary:

- A “revenue neutral” carbon dioxide tax is devised to be **revenue neutral for government only**,
- A “revenue neutral” carbon dioxide tax **is not revenue neutral for American households**.
- Nearly all advocates of a carbon dioxide tax seek to impose the tax **in addition to other government restrictions** on carbon dioxide, not in place of them.
- “Mainstream” carbon dioxide taxes of \$50 per metric ton [would raise gasoline prices 44 cents per gallon](#).
- “Mainstream” carbon dioxide taxes of \$50 per metric ton [would raise natural gas and coal prices](#) – which power nearly two-thirds of U.S. electricity – **62% and 330%, respectively**.

Short Summary: The purpose of a carbon dioxide tax is to make conventional energy so expensive that people will be coerced into buying wind and solar power, which is already very expensive. When that happens and people purchase expensive wind and solar power, no carbon dioxide taxes are collected, so no revenue is returned to the people. Our energy bills, and prices for goods and services throughout the economy, go much higher without compensation from collected tax revenues. When that happens, the carbon dioxide tax is revenue neutral **for government**, but it inflicts substantial costs **on American households**.

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