

The introduction of higher fees for major polluters, the expansion of the scope of taxable harmful gases and changes to the incentive system – are key proposals for the reform of non-tax duties in the environmental sector advocated by NALED.

The organization points to the need to change the policy of collecting eco-fees in order to encourage investment in cleaner technologies.

An analysis of the success of fiscal elements in reducing air pollution in Serbia by NALED showed that the current situation regarding the collection of environmental taxes is not good, ie that the “polluter pays” principle is not consistently applied, points out the head of the environmental unit in that organization Slobodan Krstovic.

“Through the two pillars of environmental reform, we have tried to make this new register of parafiscals transparent, and to make the collection of parafiscals fairer, and to help local self-governments maintain or increase this level of income, but to gain more from those with pollution more expressed,” Krstovic said.

The goal of the fiscal analysis was to see how much certain fiscal instruments can contribute to the reduction of air pollution, explains Djurdjija Petrovic, associate for regulatory reform in NALED.

“Our first proposal is to merge the environmental fee and the emissions fee and to expand the list of taxpayers. Also, to calculate the calculation of the fee also so that it has one fixed part (based on the size of the impact) and a variable part tons of emissions and the size of waste, and that these amounts increase by 10 percent over the next three years,” they said in NALED.

When it comes to traffic, the idea is to integrate, a tax on the use of motor vehicles and a local utility tax for keeping motor vehicles (with a tax paid on trucks).

The last proposal is individual fireboxes where energy is taxed in Europe.

KPMG Corporate Affairs Director and Professor of Public Finance and Fiscal Policy Milica Bisic believes that there is a lot of room for serious fiscal reform that would bring benefits to all because the burden of tax liabilities would be distributed more fairly.

“What could bring results quickly is the reform of environmental fees,” she said, among other things.

The funds that must be allocated for the protection of the environment are huge and cannot be provided only from the collection of environmental taxes, believes Assistant Minister of Finance Dragan Demirovic, RTV reports.