

ABSTRACT

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CARBON TAX POLICY AS A SUSTAINABLE DEVELOPMENT EFFORT IN INDONESIA

(xi+90 pages)

The global economy development and human activities have caused the use of fossil fuels to increase. Excessive use of fossil fuels causes carbon emissions which leads to climate change. To overcome climate change, most countries are committed to reduce the global emissions, including Indonesia. The key point to successfully reduce carbon emission in Indonesia is implementing the proper and effective public policies. In the emission reduction agenda, the Government of Indonesia has issued various policies, one of which is a carbon tax. Carbon tax is a tax imposed on the use of fossil fuels to remedy market failures, i.e the emergence of negative externalities such as climate change and air pollution. Carbon tax will be regulated under the new tax law, namely Law No. 7 Year 2021 on Harmonization of Tax Regulations. This research discusses the substance of the carbon tax regulation that will be implemented, such as the priority sectors, tariff, and subject of carbon tax. This paper also examines how the carbon tax can support sustainable development in Indonesia through the funds collected from carbon tax. In this study, the Author used normative juridical method and refers to statutory and comparative approaches.

References: 82 (1961 – 2021)

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