BY A “WATER FOOTPRINT” TAXATION.

CASE STUDY

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We will approach the analysis and interpretation of the "water footprint" of Spain, from the perspective of environmental taxation, since the interest in this indicator stems from the importance that charge concepts as "scarcity" and "pollution" of the water, as a direct or indirect consequence of human activity on water systems, in our case in Spain; in order to improve environmental management and taxation of water resources and reduce regional inequalities.
OBJECTIVES AND METHODOLOGY

TOTAL “WATER FOOTPRINT”

“WATER FOOTPRINT” per capita (m3/population/year)

Divided by the population

HUMAN CONSUMPTION

“WATER FOOTPRINT” BY SECTOR

Export Water
Import Water
Indirect Water
Direct Water

TIO (Intersectorial Transactions)

METOTHODOLOGY INPUT-OUTPUT

AD Agriculture
AD silviculture
AD Livestock and Fishing
AD Tourism
AD Services
AD Industry y Construction
In dealing with the “water footprint” in Spain, from a fiscal perspective we can’t forget that new environmental taxes must respect the basic principles of modern tax systems, such as administrative equity, neutrality and efficiency; for compatibility between fiscal and environmental policies, and mutually reinforcing...
Of notable importance are the issues of equity, possible policy on the possibility of reducing existing taxes in return for revenue from environmental taxes, in general, and the “Water Footprint” in particular; but it probably will not come to a neutral outcome.

The government should change certain tax principles if they want to use the tax system for environmental purposes. The State will attend these options depending on the economic and social situation of the latter, of its tax system, their level of concern for the environment, through indicators such as the “water footprint”...

Fiscal instruments that are generally applied to complement a regulatory system;

Mention that the necessary international cooperation in the implementation of environmental taxes.
Some of fiscal instruments that could apply are:

- degeneration rates;

- waste disposal and emission of polluting effluents and dissuasive practices. Waste recycling rates;

- rebates or tax benefits for investments in "clean technologies" and respectful ways with the environment play;

- finalists eco-funds, through taxation of recyclable products and recycling industries wings compensation;

- eco-funds penalties, levied on environmentally polluting practices and reorient the economy;

- indirect taxes on the use of raw materials and natural resources, on criteria of fiscal neutrality, replacing the tax on employment (social charges on water consumption).
BY WAY OF CONCLUSION

1ª) **Taxes** as effective instruments to internalize the negative externality, canons and future taxes whose scope could fit the related indicators such as “water footprint”.

2ª) At the present time charges relative importance in trying to indicators such as the water footprint, finding policy instruments capable of allowing the necessary adjustments to lower cost, search highlighting market mechanisms, as well as "economic instruments", in environmental policies, and in especial fiscal instruments.

3ª) In dealing with the water footprint in fiscal context we find great difficulty to qualify a tribute in “ecological” purity, given the specific legal circumstances of each tax “environmental” figure, available.

4ª) When studying the possible canons and taxes related to the indicator “Water Footprint” one of the proposals of the Seventh Environment Action Programme, developing the Fifth and Sixth Environmental Action Programme, it is the application of market instruments, and particular articulation of fiscal instruments. Although these taxes can not replace other measures of a regulatory nature, penal or even economic according to their impact on the environment.


