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The Role of Green Taxation in Realization of Sustainable Development and Environmental Protection in Iranian Law and International Law

Shaghayegh. Etasi[1], Alireza. Arashpour[2*], Zeynab. Poorkhaghan Shahrezaei[3]

[1] Ph.D Student, Department Of International Law, Isfahan (Khorasgan) Branch, Islamic Azad University, Isfahan, Iran
[2] Associate Professor, Department of Law, Faculty of Administrative Sciences and Economics, University of Isfahan, Isfahan, Iran
[3] Asistant Professor, Department of International law, Isfahan (Khorasgan) Branch, Islamic Azad University, Isfahan, Iran

*** Corresponding author email address**: a.arashpour@ase.ui.ac.ir

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Sustainable development and green taxation are among the most important topics of development in the present era, and their study holds significant importance. The purpose of this article is to examine the role of green taxation in sustainable development within Iranian law and international documents. This article is descriptive-analytical in nature. Environmental taxes are based on the idea that each person should pay taxes in proportion to their share in polluting the environment, meaning they should bear the cost of reducing the damage caused by pollution. Several international documents have addressed the issue of green taxation in sustainable development, and in some countries, the policy of imposing green taxes in areas such as energy, transportation, and waste disposal has been adopted as part of sustainable development efforts. However, in Iranian law, despite some attention to sustainable development, except for a few environmental protective regulations, no rules have been established to move towards green taxation. In Iran, in order to achieve sustainable development, it is essential to consider the use of green taxes and fees in various sectors as a supportive tool in urban management, quality control of urban environments, and as a sustainable source of revenue.

Keywords: *Environment, Green Taxation, Sustainable Development, Energy, Transportation.*

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1. Introduction

With the expansion and advancement of sciences and technology in various industries and the increasing demand for industrial goods in recent decades, serious environmental damage has occurred. Environmental crises and global warming have become significant concerns at the global level. Consequently, governments are striving to overcome environmental problems such as air pollution and global warming by adopting various policies. The emission of pollutants, in addition to economic losses, has led to the depletion of human resources, reduced life expectancy, and an increase in diseases and mortality rates. Moreover, Intergenerational considerations emphasize the preservation of this national and public wealth for the present and future generations, which has led to a focus on the principle of sustainable development as a solution to environmental issues. On one hand, attention to environmental issues and, on the other hand, the

increasing destruction of the environment due to economic activities, have brought the issue of environmental protection to the forefront of policymakers' concerns. Following warnings from scientists, the global community finally awakened in the 20th century and responded to these warnings, such that in the relatively short history of international law, a large volume of international documents related to environmental protection has been adopted. Current methods for controlling pollution, which are primarily reliant on fines and penalties, have not been very effective in the environmental field. Therefore, other tools, including green taxes, must be employed to control environmental pollution, and in this regard, the experiences of leading countries should be utilized. Imposing green taxes on polluting sectors, based on the experiences of other countries, can be considered as a policy in this direction. The purpose of this article is to examine the question: What is the role of green taxation in achieving sustainable development and environmental protection in Iranian law and international law documents? Addressing this question is important as it examines the necessity of green taxation in sustainable development and environmental protection in Iranian law. To explore and answer this question, the concepts of the environment, sustainable development, and green taxation are reviewed. Subsequently, the role of green taxation in sustainable development in international documents and domestic laws of other countries is examined, followed by a discussion on the role of green taxation in environmental protection and the realization of sustainable development in Iranian law.

2. Discussion

Environmental taxes are based on the principle that each individual should pay taxes proportionate to their share in polluting the environment, meaning they should bear the cost of reducing the damage caused by pollution. Numerous international documents have addressed the issue of green taxation in sustainable development, and in some countries, the policy of imposing green taxes in areas such as energy, transportation, and waste disposal has been adopted as part of sustainable development efforts. However, in Iranian law, despite some attention to sustainable development and environmental protection, apart from a few environmental protective regulations, no rules have been established to move towards green taxation.

2.1. Environment, Sustainable Development, and Green Taxation

The concept of sustainable development was first introduced in the report of the World Commission on Environment and Development (1987). Since then, the discussion of sustainable development—i.e., the type of development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs—has had a significant impact on public opinion but much less influence on practical activities. The issue lies in finding mechanisms, tools, and methods that can be applied under all social and economic conditions and assist countries in achieving sustainable development goals. Sustainable development is the intersection of environmental and development supporters. Auerbordan (1988), an environmental scholar, in his article titled "Sustainability Policy," states that the widespread use of the term "sustainable development" is because it is used by environmental advocates with an emphasis on the sustainable aspect and by development advocates with an emphasis on the development aspect. From the perspective of environmental economics, the operational principles of sustainable development and the laws governing sustainable use of environmental capital include: 1) Valuation of non-market ecosystem services must be done comprehensively; 2) correcting inappropriate interventions in valuation and property rights; 3) preserving the capacity for regeneration and restoration of renewable natural capital. That is, the rate of resource extraction should not exceed the rate of their regeneration and restoration. Additionally, pollution beyond the absorption capacity of ecosystems, which threatens life-supporting systems, should be prevented; 4) technological changes should be managed and controlled under a clear planning system, such that the use of renewable natural capital substitutes for non-renewable natural capital, and technical advancements should prioritize efficiency over performance; 5) the rate of utilization of renewable natural capital should be equal to the rate of its regeneration and recycling; 6) the scale of economic activities should be limited and conducted within the capacity of remaining natural

capital, and precautionary methods should be adopted to address unforeseen circumstances.

There are three major methods for assessing sustainable development. The first method is known as the three-pillar approach (economic, social, and environmental systems), which simultaneously considers the sustainability of economic, social, and environmental systems. The second method is the ecological approach to sustainable development, which sees economic and social systems as sub-systems of the overall environment and links the sustainability of these systems to environmental sustainability. In this method, environmental sustainability refers to the capacity of an ecosystem to respond to changes and opportunities. The third method is the capital-based approach, which borrows concepts of capital from economics and extends them to include elements that contribute to the development of human life sustainability. In this approach, physical concepts from disciplines like ecology and geography are integrated with non-economic concepts from the social sciences within a framework based on capital. The integrated environmental-economic accounting guidelines utilize the capital approach to build integrated environmental-economic accounts. From the capital approach perspective, sustainable development is development where per capita national wealth does not decrease through the replacement of capital or the consumption of capital resources. Therefore, in the integrated environmental-economic accounting guidelines, environmental capital and its changes are included in national accounting, and based on this, the economic growth of countries is evaluated using sustainability indicators (Amirnejad & Ataei Salout, 2011).

Today's emphasis on sustainable development is based on the understanding that economic growth, social development, and environmental preservation are interlinked in a chain, with both reinforcing each other as necessary elements for continuous social development. While sustainable development is often perceived in Iran solely through an environmental lens, the concept of development and its core elements, on one hand, and sustainable development, on the other, refer to the coordination and interaction between the three sections of environment, economy, and society. The development of core concepts and principles of sustainable development is considered the first step in promoting the culture of sustainable development. Sustainable development meets the needs of the present generation without compromising the ability of future generations to meet their own needs. Before achieving sustainable development, justice between generations and within generations must be secured. Sustainable development is development that continues over time and ensures the continuity of life and the infrastructure of our existence, preserving the common wealth of today's and tomorrow's generations. Currently, the issue of economic development and growth has uniformly reduced the supply of desirable environmental factors, and conversely, the demand for these factors has increased rapidly. Economic growth, which often seeks its presence in mass production, causes a cyclic process where environmental factors are used as raw materials and returned as final products, accompanied by pollution outputs that cause irreversible damage to the environment.

The result of this approach is the formation of environmental taxes (green taxes). "This tax base, applied to various forms of environmental pollution, not only does not undermine efficiency but increases social benefits by reducing pollution-related costs. This type of tax, often based on cost, is referred to as 'green tax'" (Pezhoyan & Amin Rashti, 2007). The idea of green taxation was first proposed by Pigou (1920). He believed that such a tax could internalize external costs, thus correcting resource allocation. Following this idea, a group of economists considered this type of tax as the most effective and quickest way to reduce pollution emissions and enhance environmental quality. While environmental economists and development specialists have achieved their dual goals of improving environmental quality and sustainable development, "public economists have realized that if the green tax system is assumed to be neutral concerning tax revenues, this tax not only improves environmental quality but also reduces the inefficiency of the tax system. In fact, costs from other taxes such as income and salary taxes are reduced, and employment increases, which is referred to as the 'double dividend hypothesis'" (Amin Rashti & Siamy Iraki, 2012).

2.2. 2.2. The Role of Green Taxation in the Sustainable Development and environmental protection of International Law and Domestic law

2.2.1. This section examines the role of green taxation in sustainable development and environmental protection at the two levels of international law and the domestic law of other countries.

2.2.1. In International Law

The concept of pollution taxes was first introduced in 1920 but did not attract much attention until the early 1990s. However, in the early 1990s, environmental policy discussions began to attract the interest of economists. At the 1992 Rio Earth Summit, global awareness of the need for environmental sustainability grew, and gradually, international documents and sources were developed.

The Rio Declaration (1992) is the most significant international environmental law document addressing the international obligations of United Nations member states regarding environmental protection and sustainable development. In its 16th principle, it states that governments should seek to prioritize the costs of environmental cleanup using economic tools and ensure that polluters bear the costs of pollution remediation. This should be done with consideration for public welfare and without harming international trade and investment. Thus, the Declaration calls on governments and policymakers to strive for the implementation of the "polluter pays principle," a fundamental principle of environmental law, indirectly highlighting the foundations and principles of green taxation.

Key outcomes of the 1992 Rio Conference include: 1) Governments must always consider environmental protection in economic development, industrial growth, and globalization. 2) Governments should integrate the principle of sustainable development into their legal and regulatory frameworks, including bilateral and multilateral documents. 3) Governments must recognize the role of social groups, institutions, and NGOs in environmental protection at national, regional, and global levels (Pourhashemi, 2017; Pourhashemi & Arghand, 2013).

Agenda 21 (1992), one of the agreed-upon documents at the Rio Conference, is a charter for the future that sets out national strategies, plans, policies, and processes necessary to achieve its objectives. In its second chapter (Social and Economic Dimensions), it outlines economic policies, international cooperation, and how to advance sustainable development through free-market economies. It discusses how to create a mutually supportive environment between environmental protection and trade to achieve sustainable development. One of the goals of this chapter is to reform economic policies in all countries, considering their specific conditions, to promote sustainable development by encouraging new economic activities, incorporating social and environmental costs into pricing mechanisms, and removing trade and investment barriers. Chapter four addresses changing consumption patterns as one of the strategies for achieving sustainable development (Pezhuyan & Amin Rashti, 2007; Pezhuyan & Morad Haseel, 2007).

In this regard, one of the principles of action states that excessive consumption increases demand for natural resources, while the conservative use of these resources aims to minimize resource depletion and reduce pollution. Although consumption patterns are high in parts of the world, the basic needs of a large portion of humanity remain unmet. This situation creates excess demand and wasteful lifestyles in wealthier regions, putting immense pressure on the environment. Meanwhile, poorer regions are unable to meet their basic needs for food, shelter, healthcare, and education. Changing consumption patterns requires a multilateral strategy that addresses the needs of the poor, responding to demand, and reducing wasteful consumption of Earth's limited resources in the production process. Although the terms "green taxation" are not directly used in the policies outlined in sections two and four of Agenda 21, green taxation is essentially an effective economic strategy for structuring production and consumption patterns based on sustainable resource models, ultimately achieving the goals outlined in the Charter, such as saving resources, eradicating poverty, and ensuring food and shelter. The Charter calls on research centers and national research institutions to address strategies for economic development and wealth creation alongside reducing energy consumption, natural resource depletion, and harmful emissions. It also urges governments to design policies and strategies that promote changes in unsustainable consumption patterns, focusing on two

key objectives: 1) Adjusting national policies to encourage society toward more sustainable production and consumption patterns. 2) Promoting policies that transfer environmentally safe technologies to developing countries to achieve the set goals. Five key actions are emphasized: 1) Encouraging energy and resource efficiency. 2) Minimizing waste production. 3) Raising awareness so that individuals consider environmental health when purchasing. 4) Moving toward environmentally-based pricing. 5) Reinforcing values that support sustainable consumption policies.

The Johannesburg Declaration (2002) is another international document that addresses green taxation in the sustainable development of international law and other countries. This declaration, consisting of 37 clauses, addresses challenges related to commitments to sustainable development, multilateralism, and the realization of sustainable development. The Millennium Development Goals in this document include: 1) Eradicating poverty. 2) Providing universal primary education. 3) Achieving gender equality and empowering women. 4) Reducing child mortality. 5) Improving maternal health. 6) Combating AIDS, malaria, and other diseases. 7) Ensuring environmental sustainability. 8) Promoting global partnerships for development. In this document, in addition to poverty reduction, the second chapter emphasizes the need to change unsustainable production and consumption patterns, while the third chapter discusses fundamental changes in community production and consumption patterns, stressing the establishment of supportive policies and programs for increasing investment in cleaner production and improving ecosystem efficiency at all levels to achieve sustainable development. Green taxation policies are emphasized as an economic tool for facilitating this (UNEP, 2011).

The UNEP Proposal (2011) is another international document addressing green taxation in the sustainable development of international law and other countries. In its "Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication," green economy is described as an economy that leads to improved human well-being and social equity, accompanied by significant reductions in environmental risks and shortages. It includes: 1) Identifying the value of natural capital and investing in it. 2) Reducing deforestation and restoring forests. 3) Supporting agriculture and rural livelihoods. 4) Ensuring sustainable food supply for the growing global population without undermining agricultural sectors. 5) Reducing the depletion of water resources through policies to increase investment in water supply and efficiency. 6) Ensuring long-term investment for sustainable fisheries. 7) Eradicating poverty. 8) Creating jobs with enhanced social equity. 9) Replacing fossil fuels with renewable energy and low-carbon technologies. 10) Creating opportunities for increased resource productivity through green economy (UNEP, 2011).

The final document of the Rio+20 Conference (2012) is another international document related to green taxation, sustainable development, and environmental protection. Green economy for poverty reduction was one of the main topics of this conference. "The outcome of the Rio+20 Summit is a document titled 'The Future We Want,' resulting from negotiations and consultations among various stakeholders, including political, governmental, non-governmental, private, and civil society sectors. It emphasizes the agenda for a new type of interaction concerning emerging economic, social, and environmental challenges as part of the program to achieve a sustainable world" (Rahimzadeh et al., 2010). This document consists of six chapters, outlining conditions for promoting green economies within the context of sustainable development and poverty eradication. Chapter three, titled "Green Economy in the Context of Sustainable Development and Poverty Eradication," addresses various approaches and methods and instruments tailored to each country's national priorities, as well as support for developing countries through technical and technological assistance. Chapter five, titled "A Framework for Action," aims to promote and expand the use of a ten-year program and creates an intergovernmental process to achieve sustainable development goals, highlighting green economy indicators like poverty eradication, sustainable food security, sustainable energy access, sustainable tourism, and climate change adaptation (Pourhashemi, 2017; Ramazani Ghavamabadi, 2014).

The 2030 Agenda for Sustainable Development, adopted in 2015, is another international document that addresses green taxation in sustainable development and environmental protection under international law and in the domestic laws in other countries. This document, which was adopted by 193 countries during

the United Nations General Assembly Summit, outlines the Sustainable Development Goals (SDGs) to be achieved by 2030. The goals specified in this document include 17 broad goals and 169 specific targets for sustainable development. Green taxation policies are considered an economic tool for achieving many of these goals, including Goal 6: ensuring access to water and sanitation for all, and managing water resources sustainably; Goal 7: ensuring access to affordable, reliable, sustainable, and modern energy for all; Goal 8: promoting sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all; Goal 9: building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation. However, more than any other goal, green taxation is seen as a crucial enabler of achieving Goal 12: ensuring sustainable consumption and production patterns.

2.2.2. Domestic laws of Other Countries

"In 1990, the Norwegian government established the Environmental Tax Commission. The recommendations of this commission formed the basis for the 1992 reform program. The commission essentially facilitated the reduction of traditional energy taxes by simultaneously introducing new taxes on carbon dioxide emissions from fossil fuels. The reform proposal can be classified into three groups: 1) short-term changes in environmental taxes, including the unification of taxes on gasoline and diesel, the introduction of an equivalent tax on natural gas, and the expansion of the carbon dioxide emissions tax, which broadens the tax base and eliminates exemptions; 2) reduction of negative incentives related to environmental taxes, i.e., reducing tax expenditures and transitional mechanisms associated with environmental issues such as agriculture and transport; 3) the incorporation of new environmental taxes into the tax system in the medium and long-term" (Mayeres & Proost, 2001).

"Since 1977, Denmark has implemented various taxes on electricity consumption and fossil fuels, aiming to combine policy incentives for energy (the need to encourage savings and the use of alternatives following the oil crisis) with financial incentives. Environmental issues were not significant until the publication of the energy report in 2000. In that report, Denmark proposed a 20% reduction in carbon emissions between 1994 and 1998 as an overarching goal. As a result, adjustments in energy consumption taxes were recommended, and environmental issues were introduced into Denmark's tax system for the first time. The initial steps of the reform process were taken in 1993, including the introduction of a new carbon tax, with part of the proceeds used to finance energy-saving programs for businesses. However, it was in 1994 that a larger portion of the reform program was implemented, resulting in an interesting shift in the tax structure. In the new tax package, the reduction in tax revenues was offset by new environmental taxes, including the introduction of a new tax on wages to finance unemployment benefits and an increase in taxes on dividends and financial market transactions. Additionally, various adjustments to existing taxes were made for environmental objectives, and new taxes such as waste taxes, taxes on raw materials, pesticides, and others were introduced. The gradual implementation of the reform program continued during 1995 and 1996, introducing phases related to carbon dioxide and sulfur dioxide emissions" (Rahimzadeh et al., 2010).

"In Canada, some provinces, such as British Columbia, impose a carbon tax on all businesses and individuals purchasing or consuming fossil fuels for heating and energy production" (Gerami & Karami, 2012).

Waste disposal and hazardous materials taxation are other measures implemented by some countries as part of green taxation for sustainable development and environmental protection. "Some countries impose taxes on waste disposal, especially those harmful to the environment. Sweden imposes taxes on commercial and household waste, leading to a reduction in waste entering nature and an increase in recycling. Finland has continuously expanded the tax on beverage containers (metal and recyclable cans), while exempting recyclable containers from tax, which has led to a reduction in non-recyclable waste. Canada imposes taxes on businesses that introduce polluting products to the market. The revenue from these taxes exceeds CAD 111 million annually in various provinces, motivating businesses to continuously seek ways to reduce their environmental impact, thus reducing their green tax burden in the production process. Waste disposal taxes are more effective than energy consumption taxes in reducing the use of harmful and environmentally destructive products" (Gerami & Karami, 2012).

Transportation taxes are another measure adopted by some countries as part of green taxation for sustainable development. "Germany and Finland are good examples of countries that directly tax the pollution levels of vehicles. Denmark is one of the leading and successful countries in applying environmental taxes. In 2007, the revenue from various green taxes in Denmark was approximately EUR 11 billion, accounting for about 4.5% of the Gross Domestic Product, resulting in significant attention from companies and consumers towards environmental issues" (Moghimi et al., 2012).

2.3. *The Role of Green Taxation in Sustainable Development and Environmental Protection in Iranian Law*

As discussed in previous sections, the growing trend of developing countries has led to numerous environmental issues, resulting in the destruction of natural resources (Marcoux, 2006). "Biological changes at the international level, on the one hand, and the expansion of environmental degradation processes in the country, similar to many developing countries, have made the protection of the environment a central focus for policymakers and decision-makers" (Shabiri et al., 2013). This section attempts to examine the current status of Iran's domestic law regarding green taxation, and to address the need to pay attention to the position of this component in achieving sustainable development and protecting the country's natural resources and environment.

2.3.1. *Current Status of Iranian Law*

"According to the Direct Tax Law, Article (81), the income derived from all agricultural activities, livestock farming, fish farming, beekeeping, poultry farming, hunting, fishing, and the rehabilitation of pastures, forests, and orchards are exempt from taxes. Supporting these sectors is considered a key policy for the country's development. However, imposing taxes on activities that lead to environmental destruction is possible" (Shabiri et al., 2013).

Regarding the background of environmental tax laws in Iran, one can refer to "Note 1 of Article 38 of the Value-Added Tax Law" passed in 2008, which, without considering the significant role of "service" and "mining" units, only imposed an environmental tax on "polluting production units" regardless of the severity and type of pollution. Over time, due to dissatisfaction from the taxed entities and the reduction in the effectiveness and deterrence of the above regulation, the legislator, with the adoption of Article 27 of the Value-Added Tax Law in 2021, aimed to control pollutants from the activities of production, industrial, and service units that could cause significant harm to citizens' health. This was achieved through the introduction of the "green tax base," and its executive regulations were finalized on 18 March 2023.

According to the first paragraph of Article 27 of the Value-Added Tax Law, "All polluting production, industrial, mining, and service units that fail to comply with the permitted limits and environmental standards as determined by the Department of Environment are subject to green tax based on their sales of goods or services if they do not rectify their pollution within the timeframe set by the aforementioned organization. The rates are 0.5%, 1%, and 1.5%, based on criteria such as intensity, duration, type, and location of the pollution. This rule applies to all polluting units, including exempt and non-exempt units, export units, and those located in free trade-industrial zones and special economic zones." Although, according to Article 12 of the Clean Air Law (2017), Article 15 of the Soil Protection Law (2019), and Article 4 of the Wetland Protection, Restoration, and Management Law (2017), all air, soil, and water polluting units are required to pay penalties in various amounts, Article 27 of the Value-Added Tax Law, passed in 2021, again mandates polluting units to pay a percentage of their income as green tax. Therefore, simultaneous collection of taxes and penalties for the same issue can be considered a clear case of paying repeated taxes for the same cause, which, aside from being unjust, conflicts with the principle of proportionality between crime and punishment.

It is worth noting that in Note 12 of Article 27 of the Value-Added Tax Law, unfortunately, the income approach has replaced the regulatory approach. It stipulates that the funds from this tax will be used for environmental obligations in municipalities, districts, and villages. Therefore, the place of collection of these taxes is not logically or meaningfully related to their purpose. As a result, collecting this tax will not result in services directly aimed at reducing pollution for the business paying the tax or the citizens exposed to pollution.

According to the Waste Management Law passed in 2004, the legislator has defined the responsibility for various types of waste. According to this law, municipalities are responsible for the collection, disposal, and burial of general waste, while producers are responsible for special waste. In this regard, a report from the Specialized Commission on Sustainable Development, Environment, and Water of the Iran Chamber of Commerce states that, according to Article 27 of the Value-Added Tax Law, polluting units must pay taxes to municipalities. However, economic actors find these taxes illogical because no service related to pollution control is provided in exchange for these taxes. Municipalities have no responsibility or capability to monitor or reduce pollution from industrial or mining units. They also bear no responsibility for providing facilities, reducing pollution, or compensating for damages related to pollutants from gases, water, soil, or noise, either at the production site or the site of their emission. Municipalities have absolutely no responsibility for managing industrial, mining, agricultural, medical, or special wastes. Moreover, municipalities bear no responsibility for industrial parks and units located within them. Therefore, if, as stipulated in Note 12 of Article 27 of the Value-Added Tax Law, taxes collected from polluting units are paid to municipalities, no services can be provided that would be related to the subject of these taxes for the payer or the community at risk.

"Iran is recognized as a country whose economy is heavily dependent on income from the mining sector, particularly oil. Many industries in the country have been established for the exploration, extraction, processing, storage, and transportation of minerals. The main applicable green taxes include taxes on the type of materials and solid particles emitted from factory chimneys, taxes on the amount of gases and vapors emitted from factory chimneys, taxes on materials released into running water, groundwater, and soil, and taxes on the temperature change of running water and the sea" (Pourghafar Dastjerdi, 2014).

2.3.2. The Need to Focus on Green Taxation for Sustainable Development in Iran

"An analysis of the situation in Iran reveals that the country, particularly in metropolitan areas, is currently facing environmental issues, many of which have turned into national crises. Many environmental protection laws and regulations aimed at improving the environmental status have either been forgotten or are poorly implemented and insufficient" (Memarzadeh & Shokri, 2006). "According to the Global Environmental Performance Index in 2013, Iran ranked 114th out of 132 countries, with a score of 42.73" (Hsu, 2013). "In contrast, in 2011, Iran ranked 78th globally with a score of 60, and in 2009, it ranked 67th with a score of 76.9. Notably, no other country has experienced a drop of more than 30 positions between two consecutive measurements, while Iran has dropped by 36 positions in the recent index" (Aslipour et al., 2014). "The development of countries is based on the formulation of strategies, policies, and programs that are created with consideration for the ideals, capabilities, resources, and environmental conditions prevailing in each country" (Dabiri et al., 2007).

"Given the limited resources and growing needs, the formulation of strategic frameworks for optimal resource allocation is a necessity for any form of development. This is particularly true for developing countries". As a result, the world is increasingly focused on achieving sustainable development through an approach that integrates planning and environmental considerations. Sustainable development, in this context, means economic growth without placing undue demands on social or natural resources. Environmental sustainability refers to reducing the environmental impact, conserving natural resources, and protecting them for future generations. It involves maintaining, safeguarding, and managing environmentally valuable resources over the long term" (Alavi Pour et al., 2013).

It is evident that environmental protection, as part of safeguarding public rights, is an inseparable aspect of national development. Currently, in light of the numerous environmental challenges in the country, there is a clear need for effective measures to establish a green tax base to compensate for pollutant damages and eliminate them, as seen in countries such as Germany, Norway, Finland, and Russia, which have had positive experiences in this regard. This would help create a transparent and targeted approach for reforming the current incorrect environmental methods and models in society.

Environmental resources often lack markets. In classical economics, the market is the primary institution for

valuing goods and services and allocating them efficiently. When a good or service lacks a market, it is not properly valued, leading to inefficient allocation. This is particularly true for environmental resources. Therefore, one can expect the environment to be overused and subsequently degraded. Examples of such overuse include the excessive release of water, air, and soil pollutants beyond the environment's capacity to absorb and process them. Consequently, one of the fundamental solutions to prevent environmental degradation is to value the environment and the pollutants entering it. The primary aim of this valuation is to acknowledge that the environment is not free and that those responsible for polluting the environment must bear the associated costs.

This situation currently exists in the country's economic system. Therefore, one might initially conclude that imposing a tax on pollutant emissions could lead to desirable outcomes. However, there are challenges in this area, such as the negative perception of taxes by economic actors in the country. The high rate of tax evasion is also considered one of the weaknesses of this policy. In the current context, where environmental problems have become highly visible, many economic actors are willing to pay for pollution costs. However, the use of penalties creates a negative perception among them. If taxes are imposed in such a way that they lead to a reduction or elimination of other types of taxes, there is a higher likelihood that this policy will be effective. Thus, applying a policy of dual benefits could be effective in managing environmental pollutant emissions. In fact, this approach justifies both the negative perception of economic actors regarding conventional taxes and their willingness to improve the environmental situation. As a result, economic actors will understand that the environment is valuable and that it belongs to society, not just the government (Goldani & Amadeh).

In Iran, due to the lack of appropriate tools, assessing the environmental status faces many challenges. Since nearly all economic activities are accompanied by environmental damage, both companies and consumers, given the public nature of the environment (Ajayi, 2002), underestimate the costs they impose on the environment and ignore their role in environmental issues. The reality is that environmental tax laws have not adequately addressed tax incentives and environmental goals as they should. In this context, the government must intervene and impose taxes on economic units according to the damage caused to society.

3. Conclusion

Environmental taxes are a fiscal policy used for environmental conservation and are applied in various countries. Green taxes, in modern terminology, are considered effective and practical tools for controlling pollution. These taxes are based on costs and are imposed for each unit of pollutant emission or environmental damage. By increasing social costs, they reduce the level of pollutant production to the optimal social level, resulting in a decrease in pollution. Environmental problems in Iran indicate that environmental issues should be considered in all decision-making processes. All goods, activities, and polluting industries should be identified and taxed in accordance with the amount and severity of pollution they produce, taking into account other relevant conditions. The experience of countries that have imposed environmental taxes shows that these taxes are effective tools for controlling environmental factors using economic instruments. Therefore, by introducing new tax bases, which should be based on extensive studies, appropriate legislation, and cultural groundwork, progress and optimal results can be achieved according to the requirements and conditions of the time, so that while achieving the desired development, natural resources and the native environment are also protected and protected.

Authors' Contributions

Authors contributed equally to this article.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

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Declaration of Interest

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In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were observed.

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