

Recorded text form the Chat Zoom Meeting SEDA / John Muir Trust Conversation: Do WE Need A Carbon Tax? 10 November 2021

18:35:04 From Gail Halvorsen : Professor Ronald MacDonald OBE
Research Professor of Macroeconomics and International Finance in the Adam Smith
Business School, Glasgow University
Ronald has written about the opportunities, radical reforms and potential policy actions that
governments can take post-pandemic to balance the health and wellbeing of their
populations while maintaining economic efficiency.

18:36:48 From Gail Halvorsen : John Muir Trust Carbon Emissions Land Tax
The full report can be read here:
[http://carbonemissionslandtaxfinal_nov21_original.pdf%20\(johnmuirtrust.org\)](http://carbonemissionslandtaxfinal_nov21_original.pdf%20(johnmuirtrust.org))

18:37:22 From Ian Fraser : The SEDA A New Vision for Land Use in Scotland - 6
conversations report is available for download here [https://www.seda.uk.net/seda-land-
conversations/report](https://www.seda.uk.net/seda-land-
conversations/report)

18:38:08 From Gail Halvorsen : Your chair:
Professor Ronald MacDonald OBE
For full bio click here:
<https://www.seda.uk.net/carbon-emissions-land-tax>

18:39:42 From Gail Halvorsen : Nikki Gordon
John Muir Trust
Nikki works for wild land charity the John Muir Trust as their first ever Carbon Officer, taking
holistic, conscious and ecologically responsible action to bring about systemic change. Her
background is in global environment and climate change law.
For full bio click here:
<https://www.seda.uk.net/carbon-emissions-land-tax>

18:47:48 From Ian Fraser : correct link for the John Muir Trust's Carbon Emissions
Land Tax proposal via this web page [https://www.johnmuirtrust.org/support-us/take-
action/982-carbon-emissions-land-tax](https://www.johnmuirtrust.org/support-us/take-
action/982-carbon-emissions-land-tax)

18:50:25 From morag paterson : How many holdings over 1000 hectares are there in
Scotland?

18:52:17 From Ewen McLachlan : Would these taxes go direct to either Westminster
or Holyrood? Is there a possibility of the taxes or a percentage being spent in the
communities in the area where the tax is raised?

18:52:54 From Eleanor Harris : Are you proposing to tax land that fails to sequester
carbon to maximum level (as in your stalking estate example) as well as land which actively
emits carbon (which is overwhelmingly degrading peatland)? How would this affect arable
farmland?

18:53:38 From nick domminney : Would big land owners just a) avoid tax b) pass the
tax cost onto wealthy clients c)intensify use of exploited areas?

18:54:10 From Ian Fraser : Fewer than 1,000 Nikki just said. In case its of interest I I
have found out that 25 per cent of estates of over 1,000 acres in Scotland have been in the
hands of the same family for more than 400 years.
[https://www.prospectmagazine.co.uk/magazine/scotland-land-reform-who-owns-estates-
property-act](https://www.prospectmagazine.co.uk/magazine/scotland-land-reform-who-owns-estates-
property-act)

18:55:07 From SELMESLI : It may take time for actions to transform land to a carbon sink- what would be the tax band situation in the transition period?

18:55:30 From David Leslie : how would this fit or be integrated with land value taxation proposals already under consideration?

18:55:40 From Kathleen White : Do you have any big land owners on board with this proposal?

18:56:01 From Gail Halvorsen : Performing - "Words from the Weary Wild Places" is Mark Gallie from I Am Loud Productions.

I Am Loud Productions is an Edinburgh-based production and entertainment company. They create unique and engaging live performances alongside story-driven, high quality film work.

You can find out more information at: linktr.ee/IAmLoud

18:56:11 From Megan MacInnes : Great to hear that this proposal recognises rural community resilience, jobs and re-peopling, as part of the wider Just Transition. Will the tax be able to take account the extent to which these wider Just Transition objectives are being contributed to, by the land use model on the ground? For example, if the land owner is a community ownership group? Or if local employment opportunities and population figures are improving as a result of the land use model?

18:57:16 From Simon Hart- John Clegg & Co : Is this idea for all land, or does it exclude "agriculature"?

18:57:21 From Andrew Tait : How will the move to lower tax bands happen over time (measuring change on the ground would be very long term). Could a move to a lower band be based upon a legally enforceable management plan. This make make initial entry more palatable without the inevitable rouses to get around it in terms of splitting holdings or making ownership near impossible to track down.

18:58:24 From Gail Addis : Would Landowners get grants towards putting up fences, culling deer, and planting trees?

18:58:32 From Gail Halvorsen : You can see the full text of Mark's poem at the end of the event page:

<https://www.seda.uk.net/carbon-emissions-land-tax>

19:01:11 From Enid Forsyth (she/her) : mark, thank you so much. Beautifully read too...

19:01:25 From Peter Dillon (he/him) : Thank you for that poem, beautifully done

19:03:07 From Jenny Barlow - Langholm Initiative : Amazing poem Mark!

19:03:22 From Gail Halvorsen : John Cullinane
Public Policy Director, Chartered Institute of Taxation

John has been a partner at Arthur Andersen and Deloitte. He has specialised for over twenty years in financial, international and corporate tax.

19:03:49 From Ian Fraser : Loved your poem and the way you delivered it Mark Gallie. Thank you.

19:05:30 From Ian Fraser : Good point about risks, e.g. related to beef imports, from John Cullinane.

19:06:33 From Scottish Ecological Design Association : Should the tax revenue be ring fenced and used specifically for biodiversity and sequestration investment schemes?

19:07:55 From Ian Fraser : In other words “hypothecated” - something HM Treasury hates with a vengeance.

19:08:50 From Gail Halvorsen : Jenny Barlow
Estate manager, Tarras Valley Nature Reserve

Jenny is part of the new team, established by the Langholm Initiative, working on the Tarras Valley Nature Reserve . She has a background in environmental projects, land management, community development and sustainability.

19:09:51 From Martin and Penny : The disadvantage of hypothecation is that the spending on good things is limited to the tax raised. If the spending is needed, it should be up to the Govt to find the money from whatever source it can.

19:10:51 From Ulrich Loening : If you don't call it a tax, which gives it a bad name, but a fund, or even a direct cost, then some of the problems that John mentioned goes away. There is a case for large emitters to pay into such a fund and large sequesters to receive a benefit. There is an international program to do that. The problem is that whatever you do, the carbon properties of the land are difficult to measure, and often contentious. Your comments please, on thee two issues.

19:11:40 From Ian Fraser : Nomenclature changes everything!

19:11:50 From David Finay : Great idea but how is this carbon going to be assessed? Last Agri-Calc audit (2019) didn't include the methane reduction of our anaerobic digester, our 90% reduction in drugs and drenches, the contribution from our 35,000 newly planted mixed broadleaf trees, our 25 years of documented soil carbon data showing sequestration of over 5t/ha/yr. Then there's the GWP100 vs GWP* debate?

19:13:09 From Gail Halvorsen : Andrew Heald Sustainable plantations and forestry consultancy

Andrew's company focusses on developing blended finance projects for sustainable forest projects. He sits on UK Government's expert committee of forest science, and has previously been a Director for the UK Woodland Assurance Standard.

19:15:54 From Callum Blackburn : would it be better to modify the current agricultural and forestry subsidy and grant schemes to get the outcomes we want rather than add a new tax?

19:16:23 From Andrew Tait : The point about focusing not only on carbon is crucial. There are already any number of companies out there offering clients a carbon calculation- different methodologies and quite a few have poor outcomes for biodiversity.

19:16:53 From Ulrich Loening : The real answer to taxing imported beef, is to do it directly. Carbon taxes in general need to be based on consumption, not production. The land tax idea falls between these two.

19:19:31 From Gail Halvorsen : Professor Sarah-Anne Munoz
Division of Rural Health and Wellbeing, University of the Highlands and Island
Sarah-Anne is a Health Geographer with expertise in qualitative and participatory research. She has worked in the area of rural health research for over a decade and has particular expertise in the relationships between rurality, place and wellbeing.

19:19:32 From nick domminney : Can the world grow enough timber for construction when current timber volume is about 20 times less than concrete volumes?

19:20:30 From Scottish Ecological Design Association : Regarding Nick's question my related thought/question: as the demand changes would the supply not grow to match?

19:21:13 From morag paterson : And as a follow up, can the supply grow fast enough to keep up?

- 19:22:32 From Simon Hart- John Clegg & Co : There is massive scope to increase timber production- even in a small country like ours!
- 19:23:24 From Ulrich Loening : What a wonderful situation, that if we could promote and do all the things we would like anyway, such as health, better nutrition, silence and peace in the environment, such that the quality, not quantity, of life improves, then we also capture more carbon. A win- win -win -win !
- 19:23:37 From Louise Alexander : needs a change of public perception to productive woodland!
- 19:24:34 From Gail Halvorsen : Su-a Lee and Hamish Napier perform music from Hamish Napier's album 'The Woods'. They made this especially for this event but did
- 19:24:35 From morag paterson : Even private commercial woodlands could be much more inclusive, which would help with that, as well as lots of what Sarah just brought up
- 19:24:58 From Eleanor Harris : Would, say, a community who owned a native Ash woodland suffering Chalara be liable for tax due to the carbon emissions of the dying trees?
- 19:25:02 From Gail Halvorsen : didn't trust their internet connection!
- 19:25:29 From Gail Halvorsen : Su-a Lee and Hamish Napier perform music from Hamish Napier's album 'The Woods'

Hamish Napier is one of Scotland's most multi-faceted folk musicians. He won Session Musician of the Year at the Scots Trad Music Awards 2019.

www.hamishnapier.com

19:25:41 From Gail Halvorsen : Su-a Lee is one of Scotland's most versatile, adventurous and charismatic cellists who has recorded many award-winning classical music discs.

www.sualee.com

19:27:09 From Simon Hart- John Clegg & Co : I dont understand the logic of a 1000ha threshold. Surely this should be about good land use, rather than the quirky size of land ownership? Every packet of cigarettes is taxed the same. That sin tax is not only applied to those who smoke the most.

19:28:21 From Gail Halvorsen : In the recording of the event that will be available on our website we will replace this with the original so lease do listen to that when it comes up

19:29:54 From Enid Forsyth (she/her) : Gail, no sweat, I'm just really enjoying the inclusion of the arts...

19:30:00 From Alan Cranston : It's not unusual for tax to have thresholds, either for admin cost or policy reasons. Income tax is but one example.

19:30:16 From Scottish Ecological Design Association : Simon: was it not mentioned that small crofters and farmers already face a lot of financial squeeze which would then make it impossible for them to survive in making local produce available etc... though I agree with you that its not about size necessarily, it maybe to do with what carbon production and biodiversity can be had on site or not...

19:30:53 From Phil ADS : yes, very good idea to break things up with poetry and music!

19:31:06 From Scottish Ecological Design Association : What can be measurable and traceability of it? And not contentious?

19:33:25 From Simon Hart- John Clegg & Co : The 1000ha seems too high. There are lots of significant businesses, with big GWP that will be missed.

19:34:22 From Scottish Ecological Design Association : I guess, what size would you set it at, and why - how would the size (any size however set) be justified?

19:35:42 From Gail Halvorsen : The use of artistic interludes is an important part of all SEDA Land Conversations. Do have a look at the 6 ones available on our web site (resource page) for some fantastic pieces

19:36:57 From Alan Cranston : It's fair to point to the need for reasonable accuracy of measurement. But remember (a) we are in a climate emergency and (b) much taxation is based in pretty rough data. We should not be driven down the road of doing nothing for ages whilst we search for spurious accuracy. Those who oppose the tax because they don't want to pay it will press that line well enough for themselves!

19:38:33 From Simon Hart- John Clegg & Co : I suspect we will have to move to a carbon tax on everything we do, so perhaps there should be no threshold?

19:38:57 From Phil Graves : An excellent concept - well done Nikki and the JMT. Might it be best to present it as a neutral tax-take overall? - the winners receive the "tax" from the losers (those a long way short of ideal carbon sequestration.)

19:39:02 From Scottish Ecological Design Association : If it isn't concrete measurable and actionable tax methodology, fiscal exacting policy attached, then the scheme as a dream pipe thinking scheme is not going to actually come with action and impact, so would it not make sense to push for further details to get the government to consider an actual implementable policy?

19:41:06 From morag paterson : I think the threshold suggested is too high to have a significant impact on immediate land acquisition issue

19:42:35 From Ulrich Loening : Buying land for offsetting does nothing. The land doesn't know or understand, buying it makes no difference to carbon balance

19:43:11 From Jill Robbie : One possible way to avoid the tax would just be to split the ownership under 1,000 hectares to avoid the threshold...

19:43:17 From Enid Forsyth (she/her) : What is the process to get this proposal taken up and considered by government?

19:44:06 From Phil ADS : Another degree or two of global warming, and we'll just have to seize the land!

19:44:11 From Eleanor Harris : How would a land carbon tax have a different outcome to existing carbon offsetting? Surely it's just the stick not the carrot to achieve the same outcome.

19:45:04 From Scottish Ecological Design Association : @Jill That is a good point that a land owner can split the land for their siblings and children all under 1000ha and so avoid the tax...

19:45:53 From Eleanor Harris : A "land tax", a "carbon tax", and a "land carbon tax" are three very different things - there seems to be a lack of clarity about which is being proposed.

19:46:12 From Jill Robbie : In law, there is the concept of "connected persons" to try and get around that situation, though it would have to be considered to implement that in advance.

19:46:35 From Gail Halvorsen : Andrew has kindly joined us from his Covid bed and nearly didn't make the event!

19:48:45 From Scottish Ecological Design Association : @Jill, that would be good to know there is a way so that can be stopped.

19:49:43 From John Cullinane : The 'connected person' concept is indeed used a lot in tax legislation to stop taxpayers getting round thresholds of all sorts by splitting holdings into smaller pieces which fall below the threshold - the tax authority just aggregate the holdings of all persons who are connected to each other (and generally there's quite a wide definition of who you are considered connected with).

19:51:17 From David Leslie : playing devil's advocate, isn't concrete just carbon intensive because it's energy intensive? if the energy is renewable, how different is the story?

19:51:58 From Simon Hart- John Clegg & Co : Given there is already a voluntary carbon market, which many land owners have entered, how would that dovetail with mandatory carbon tax?

19:52:11 From Scottish Ecological Design Association : Concrete is also not renewable and biodegradable... as well as high embodied carbon.

19:52:43 From Scottish Ecological Design Association : Essentially we need to stop mining (of all types)

19:53:09 From Megan MacInnes : One way for the avoidance tactic Jill mentioned to be tackled would be to focus on the persons with "controlling interest" rather than the land owner. This is based on the new definition and Register coming in next year, and would allow the tax authority to focus on making sure the tax is applied to who genuinely controls the land, not just the first-level corporate identity on the Land Register.

19:53:11 From David SEDA : On David L's point, no, to turn lime into concrete the chemical process emits lots of carbon, as well as the heat energy used to make the reaction happen. So that's why it's double not good.

19:53:50 From Kristina Enberg (she/her) : Agree with you Andrew, use timber in construction but less of it. Forest exploitation is an increasing problem in the country I'm from, Sweden, with an intense monocultured timber industry

19:54:24 From Megan MacInnes : Think my suggestion is similar to John's "connected person" one (in terms of tackling tax avoidance loopholes)

19:54:38 From Scottish Ecological Design Association : @ Megan, interesting. Yes whoever controls and uses the land is actually more important than ownership in a sense as the land could be leased out...

19:54:40 From Kathleen White : It seems that smaller driven grouse shooting estates wouldn't be included in this proposal, despite all the relevant issues which Nikki listed in her initial presentation.

19:55:04 From Scottish Ecological Design Association : @ Kristina, interesting about monoculture timber industry, that is a good point well made...

19:55:44 From Phil Graves : I presume landowners can't put up a few turbines on a degraded peat moor and then claim the job done - clean energy, saving carbon emissions from gas power stations.

19:56:06 From David SEDA : I'm aware that other forestry methods provide a lot more timber and have better biodiversity! e.g. Austria

19:56:33 From Ewen McLachlan : Hopefully in tandem with this proposal we could also enact legislation that ensures those land owners who hide from taxes by family trusts or charities overseas are held accountable for their lands emissions...

19:56:38 From Nick Domminney : Thanks to the organisers and the panel. Really great event and great tax.

19:56:46 From Morag Paterson : Thanks everyone for a really interesting session

19:56:55 From Kristina Enberg (she/her) : Thank you!

19:56:57 From Gail Halvorsen : As the music was bad quality we are going to try playing it again using a different means as you leave. Do stay to listen if you can!

19:57:02 From Rosie Simpson : Thank you to the panel and to the organisers.

19:57:19 From Andrew Tait : Many thanks all

19:57:24 From Greig : fantastic idea! please keep up the good work!

19:57:38 From sandra holmes : excellent webinar - thanks to JMT and all the speakers

19:57:58 From Ian : Well done Nikki - a complex initiative well introduced!

19:58:02 From Megan MacInnes : Thanks everyone, very interesting discussion

19:58:09 From Enid Forsyth (she/her) : Excellent!

19:58:11 From Gail Halvorsen : The percentage went down 3%

19:58:11 From Ewen McLachlan : More of this. Many thanks to all involved in putting it all together.

19:58:15 From Callum Blackburn : thanks a great discussion

19:58:19 From David Leslie : didnt see the last poll, but thanks everyone

19:58:30 From Gail Halvorsen : Maybe a follow on in 6 months

19:58:37 From Gail Addis : Very interesting discussion - thanks JMT

19:58:40 From Eleanor Fraser : great idea! thanks everyone! Let's hope it can become policy?

19:58:41 From Phil ADS : Very interesting discussion, thanks to the organisers and panel

19:58:50 From Claire Guerin : thanks everyone really interesting discussion

19:59:09 From Gail Halvorsen : As the music was bad quality we are going to try playing it again using a different means as you leave. Do stay to listen if you can!

19:59:28 From Gail Halvorsen : SEDA Land is the part of SEDA dedicated to rural land

19:59:44 From Gail Halvorsen : As the music was bad quality we are going to try playing it again using a different means as you leave. Do stay to listen if you can!