

POSSIBILITIES OF SANITATION LEVY IN SPAIN TO MITIGATE THE CLIMATE CHANGE EFFECTS

IMPERFECTIONS IN THE SANITATION LEVIES REVISED

- According to the study by González Laxe F y Prado Dominguez J³ sanitation fees present three imperfections in the design:
 1. The taxable event, water consumed is not accurate. There is a sentence STSJ from Catalonia 21th of April of 1994⁴ that it tried a case where it was technically proven that the water consumption verified by the taxable person did not cause any harmful alteration in the quality of the water in relation to the later uses or with its ecological function.
 2. In the AACC that has been established, the figures for the collection of the pollution load unit, which have become complex for resolution, due to their technical difficulty, which has achieved a slowdown in their settlements for the final be solved by the criterion of water consumed.
 3. They have no direct incentives to reduce wastewater discharge, i.e. reduce the ecological footprint.
 - Furthermore, this study³ has detected that the Spanish AACC presents important problems especially the linking between the pollutant load and fiscal load, concluding in general, that the tax burden is high.
 - I think that the model chosen mostly in Spain (Murcia, Valencia, La Mancha, Asturias, La Rioja ...) has two significant advantages compared to the rest of the models:
 1. As there is a single organism to manage the sanitation levy, greater degree of compliance is achieved with environmental principles.
 2. As the sanitation levy is managed by the CCAA it is guaranteed that all citizens pay the same for the treatment of their water (otherwise the more isolated populations would pay more because the cost would be higher).
 - The AEAS (Spanish Association of Water Supply and Sanitation,) considers that a provision for extraordinary atmospheric phenomena should be considered (see the document named below⁵): an additional cost should be included as a provision for extraordinary atmospheric phenomena, but it is necessary to adapt legal requirements in case of an accounting force of nature.
- Therefore, it is essential and necessary to establish an adequate tariff system of water use, to ensure the efficient use of water resources.

ISSUES TO IMPROVE THE EFFICIENCY OF THE SANITATION LEVIES

- Add the amortization of the investments in infrastructures made by the public administrations, in the calculation of the levy. There are many AACC which has received grants for the building of their WWTPs and they are not charging the technique amortization in their tariffs. This will cause in the near future a problem of decapitalization when the WWTPs reach the obsolescence. It would be interesting to research for more suitable methods of amortization for every case.
- Study the possible creation of a new eco - tax or widen their environmental actions financed in the current water levies. This line of study should be done in two steps:
 - o Detecting the environmental needs in every area which can be financed through this tax.
 - o Designing coefficients to correct the tariff and adjust them to apply with the environmental principles, especially "Polluter pays".

For this purpose, it is considered necessary to study the supply curves of most important activities of every area, inasmuch as this curve use to be inelastic, in this case, almost the whole tariff is assumed by the polluter.

If the curve had been elastic (it is not usual), an important part of the tariff would be included in the price of the product and it would be the consumer who would pay it.

It should be added that unless the tax rate is very high in inelastic supply curves, the influence on the market price is almost negligible.
- Study adjustment coefficients for water using industries. These activities consume much more water than they discharge, so they are paying a higher rate than they actually pollute.
- Study surcharges on regional taxes and liquid spills by the municipalities. This way specific environmental actions, carried out in the cities, could be financed because that is the most difficult point to achieve.

BIBLIOGRAFÍA

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- 3 The differences in the collection of sanitation fees in Spanish continental aquaculture. Instituto de Estudios Marítimos Universidade da Coruña. December 2006
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- 4 Tribunal - Aranzadi, N^o 4/1995, pages. 946 and 947
- 5 Price guide for water supply and sanitation services (Working document still open for review and updating).
AEAS, FEMP (Spanish Federation of Municipalities and Provinces)