Breaking News: Treasury Admits Global Warming Cap-and-Trade Costs Could Hit $300 Billion Annually

by Christine Hall September 18, 2009

Global Warming Cap-and-Trade Costs Could Hit $300 Billion Annually, Cost Up to Several GDP Points, US Treasury Admits

Treasury Dept Releases Un-redacted Documents Friday Afternoon

Washington, D.C., September 18, 2009—Global warming cap and trade costs could hit $300 billion annually, the Treasury Department admitted in documents released today – late in the afternoon and on the day of the Jewish New Year celebration. The same documents had been released by Treasury earlier this week but had important parts redacted. Now, the document is available in its entirety for public scrutiny.

The new information reveals that Treasury estimates that not only could cap and trade cost $300 billion annually, “domestic policies to address climate change and the related issues of energy security and affordability will involve significant costs and potential revenues, possibly up to several percentage points of annual GDP (i.e. equal in size to the corporate income tax).”

The documents were obtained by CEI Senior Fellow Christopher Horner through a Freedom of Information Act request and revealed in a Friday afternoon release after public attention to an earlier version raised questions of what the administration was hiding.

“Today's release explains why the administration initially sought to keep its internal aspirations and expectations from the public: The cost of a cap-and-trade plan to businesses and consumers will be enormous,” said Horner. "This candid perspective of what could prove to be the biggest tax increase in our nation's history now must be openly debated before the American public".

A cap-and-trade plan, as called for by President Obama, would either immediately sell all carbon dioxide emission permits or sell nearly all after a few years of giving industry most of its permits for free.