

**ASSESSMENT OF NET IMPACT BY CHANGE OF FISCAL POLICY
ON ROLLING STOCKS AND FOSSIL FUEL FROM 2010 TO DATE IN
SRI LANKA AND MARGINAL INCREASE OF AIR POLLUTION
RESULT ON THOSE POLICIES – CRITICAL EVALUATION ON
VISION LESS AD-HOCK POLICIES**

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Abstract

Main focus of this paper to review the tax policies introduced by the government since 2010 to date with respect to the rolling stocks (transport equipment's) and consumables (fossil fuel) and their impact to the air pollution which are generated from mobile sources. The data will be analysed to understand the positive and negative contribution made with the estimated of marginal increased or decreased air pollution based on globally available empirical studies.

This research is to establish the economic and social cost or the economic and social benefits of the fiscal policies introduced the Government of Sri Lanka (GOSL) on the transport equipment and its consumables including fossil fuel. The main objectives of this research are;

- Quantify the each and every fiscal policies introduced for vehicles, rail rolling stocks, petrol and diesel, and taxes on substitutes for those mode of transport;
- To estimate external and internal economic and environmental cost segregation impact of each fiscal policies intruded since 2010;
- To evaluate the out of sustainable economic growth fiscal policies which are purely on government revenue generation;
- To stream line policy focus on sustainable economic development and outline frame work for fiscal policy formulation for transport sector to overcomes current dis-economy in the transport sector

Firstly, all secondary data on import duties for motor vehicles and other related taxes at the time of acquiring ownership of vehicles and pricing policy of fuel including taxes will be compiled since 2010. Further, taxes on spare parts and other accessories of vehicles also will be compiled with time series. It also proposed to identify funding source of rolling stocks of railways and methodology on identifying its rolling stocks.

Secondly, data will be compiled on consumer behavior on the basis of pricing and fiscal policies, here the revenue licenses fees, tools, and other user cost will be calculated for the evaluation. Thirdly, the positive and negative economic, environment, and social will be quantify each and every key fiscal policy of the government. Finally, conclusion will be delivered on the tangible cost or benefits to the economy with some guide line to be consider in future policies to reached sustainable economic growth strategies.

Literature survey will be undertaken in this research to make in to comprehensive empirical study in order to avoid any redundant work on economic evaluation. However, research will make path to emerged with its own methodology with may have its own identity allowing any researcher to undertake further studies providing decision makers to be alarm the damage or goods doing to their own country by taking ad-hock fiscal policies directed or pushed by the international monitory or funding agencies for short term benefits of political economic environments. This research will also will be provide frame work for inter relationship of specific variables.

Keywords: Tax Policies, Air Pollution, Fossil Fuel