

## **Environmental Tax on Structures Limiting Beach Access and Recreation**

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Israeli law allows for environmental taxes to be collected on any structure located on the beach within 100 meters from the water's edge. The Israeli coastline is 250 kilometers in length, of which 552,000 square meters of beach are occupied by structures.

A survey was conducted to learn about the public recreational use of beaches and attitudes to environmental negative externalities, such as water pollution, sand contamination, aesthetic nuisances and inaccessibility. These negative effects potentially reduced up to 48% of the beach value. Positive externalities, such as socio-economic contribution, reduced the negative externalities' costs by up to 90% of the value. The public's recreation value per square meter of beach was estimated as: average annual number of beach visits (per person) multiplied by the average value of "a day at the beach," divided by the total square meters of beach.

The average recreational value per square meter of beach was found to be \$63. An average environmental tax of \$16 per square meter of beach occupied by a structure located near the water's edge was estimated. A total annual tax collection of \$20 million was estimated to compensate for the environmental loss of beach recreation to the public.