

Why White House is giving billions in tax breaks to Apple, Amazon, Google, Tesla? It is CAMPAIGN FINANCING PAYOLA!

- THAT IS A FELONY. WILL THE FBI ARREST THEM?

- SCAM UNCOVERED TO ALLOW OBAMA TO PAY OFF HIS CAMPAIGN BILLIONAIRES WITHOUT IT BEING NOTICED..BUT IT WAS NOTICED!!!

By [Jeremy C. Owens](#)



Getty Images

State and local governments are seeding the (SILICON VALLEY CAMPAIGN FINANCIERS) with billions in tax subsidies, but the companies receiving those gifts aren't exactly making it rain with jobs in return, according to a nonprofit's recent study.

[The Good Jobs First study](#) focused on tech giants Alphabet Inc. [GOOGL, -0.01%](#) [GOOG, +0.05%](#) , Amazon.com Inc. [AMZN, +0.06%](#) , Apple Inc. [AAPL, +0.01%](#) , Facebook Inc. [FB, +0.01%](#) and Microsoft Corp. [MSFT, +0.88%](#) , and found roughly \$2 billion in incentives granted from local and state governments to build a total of 11 data centers in the past decade, a fraction of the facilities these and other companies have actually built. Because these facilities, which provide remote computing power and data storage, require few workers, the subsidies resulted in those governments spending roughly \$2 million per job created, the study found.

"These numbers are orders of magnitude more than most deals we've seen," said Greg LeRoy, executive director of Good Jobs First.

As a comparison, estimates on the \$1.3 billion in subsidies provided by Nevada to win (OBAMA CAMPAIGN FINANCIER AND HARRY REID STOCK SKIM) Tesla Motors Inc.'s [TSLA](#), -1.86% Gigafactory suggest that the state is going to lose \$200,000 per worker, though LeRoy said employment numbers are still speculative there. Tesla's battery-manufacturing site will certainly provide more jobs than a data center, which are warehouses full of computer equipment that are mostly controlled from afar while on-site jobs tend to be low-skilled positions such as janitors and security personnel.

There is a massive wave of data-center projects planned globally to power the world's expanding cloud needs, such as Amazon Web Services and Microsoft offering remote computing power to companies, and Apple and Facebook handling the needs of mobile users. Commercial real estate and investment firm JLL [predicted in a 2016 study](#) that the size of the data-center industry would double over the next five years.

Read also: [Dot-com boom 2.0: The cloud build-up](#)

The data-center buildout arrives at a tough time for economic-development projects. LeRoy cited data showing that the types of deals states and cities usually compete for crashed between 1999 and the beginning of the Great Recession and has never recovered, currently sitting at 43% of 1999 levels, he said. Tech giants have stepped into that void with huge nine- and 10-figure projects and sparked bidding wars that have driven up subsidies — slashing property, income and sales taxes.

“The big brand-name companies...have an inordinate power because they know that it's a seller's market, that the market is depressed for deals, and therefore they have more leverage than ever to play places against each other,” LeRoy said.

Four of the five companies on which the study focuses did not take the opportunity to defend their practices: AWS and Microsoft declined to comment, while Alphabet and Apple did not bother to respond to emails.

The study's author, Good Jobs First research analyst Kasia Tarczynska, said they actually kept their figures “conservative,” because the level of disclosure on the tax breaks varies from state to state, making it hard to calculate the true cost. She also said that one of the main reasons for the large tax breaks is the competition companies fuel by playing states and localities against each other.

“Companies will have a list or even a final location in mind, then they will go to the locality and ask for tax breaks saying, ‘If we don't get this, we'll consider another location,’” she explained.

See also: [Tech is king of Wall Street, thanks to the cloud](#)

The study gives many examples, including one in which Google pitted North Carolina and South Carolina against each other even though the search giant planned to build a data center in each state, according to news reports cited by Good Jobs First. Google eventually won tax exemptions in both

states, with \$254 million in North Carolina subsidies offered in exchange for a promise of 210 jobs, roughly \$1.2 million per job.

North Carolina — one of 27 states that have established incentives specifically for data centers — comes up often in the study, including in the most expensive deal Good Jobs First found, Apple's 2009 deal to build a \$1 billion data center in Maiden, North Carolina. The tax breaks on that deal, struck in the middle of the recession, amounted to \$6.4 million per job promised, the study reported. [The Washington Post visited Maiden in 2011](#) and reported that the town had felt few effects from the data center's arrival.

Good Jobs First's LeRoy suggests that subsidies be capped at \$50,000 per job, and that larger companies with piles of available cash, like these tech giants, should pay more of their own way.

"They gotta build these things, they gotta have the cloud, they want to have their own because they're the big dogs," he said. "They're coming, don't pay them to do what they're going to do anyway."