



Date: August 10, 2018

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While New Jersey's Elected Officials Offer Amazon Billions In Corporate Welfare, The State's Fiscal Outlook Remains Dire

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Despite Raking In \$2 Billion In Profits Last Quarter, Amazon Is Still Being Offered \$7 Billion In Corporate Welfare And Taxpayer-Funded Subsidies From New Jersey...

“Newark cemented into law its [\\$2 billion incentive](#) on Wednesday to convince retail giant Amazon to open its second headquarters in the city. The City Council gave final approval to three ordinances that would allow any corporate headquarters that creates 30,000 jobs and invests \$3 billion over 20 years to qualify for tax breaks and a long-term exemption.” (NJ.Com, [“It's official: Newark cements \\$2B tax package for Amazon,”](#) Karen Yi, 8.8.2018)

“New Jersey's offer, which could total \$5 billion in tax breaks, rivals some of the largest incentive packages hatched by states looking to land big businesses, and would set a record within the state.” (NJ.Com, [“N.J. Legislature clears way for \\$5B in Amazon tax breaks,”](#) Samantha Marcus, 1.9.2018)

“The Seattle retail and technology giant on Thursday reported a record profit of \$2.5 billion, the latest sign of the company's success in tapping new markets even as it deepens its dominant position in e-commerce.” (*The Seattle Times*, [“Amazon posts record \\$2.5 billion profit as cloud sales growth continues,”](#) Matt Day, 7.26.2018)

Chaser

..While Pensions In New Jersey Remain Underfunded By \$59.7 Billion And Lawmakers Increase Taxes On Local Businesses By \$425 Million

“The pension fund for state and local workers has \$59.7 billion in unfunded liabilities, as measured by the state. It has enough assets to cover only 62.4 percent of its liabilities to public workers. The pension debt is much higher when measured under national accounting standards.” (NJ.Com, [“Huge change for N.J.: Public worker benefit cuts, merging schools, more toll roads pushed by top lawmaker,”](#) Samantha Marcus, 8.9.2018)

“The governor and lawmakers also agreed to a four-year surcharge on businesses earning more than \$1 million. These companies would see their income-tax rate increase to 11.5% from 9% for the next two years, before lowering to 10.5% in the two years after that, Mr. Murphy said. The surcharge is expected to raise \$425 million for the new fiscal year.” (*The Wall Street Journal*, “[New Jersey Lawmakers Approve \\$37.4 Billion State Budget](#),” Kate King, 7.1.2018)

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ABOUT THE FREE & FAIR MARKETS INITIATIVE

The Free & Fair Markets Initiative (FFMI) is a non-profit coalition of businesses, consumer advocacy groups, workers and community activists committed to scrutinizing and highlighting emerging market trends that are stifling competition and innovation, influencing federal and local government spending, putting consumer data in harm’s way and limiting consumer choice. For a list of members, please visit <https://freeandfairmarketsinitiative.org/about-us/members/>. For more information on the Free & Fair Markets Initiative, please visit <https://freeandfairmarketsinitiative.org>.