



## Incentive cap may crimp recruiting

Jordan Graham, Matt Stout Thursday, September 28, 2017

Massachusetts is pulling out all the stops in its effort to woo Amazon, but under state law economic development officials can only offer the e-commerce giant \$20 million in job creation tax incentives each year, a number that one expert says may not be enough.

“That number would fall short of what we feel would be needed for what would successfully attract Amazon,” said John Boyd, principal at corporate relocation firm Boyd Company.

Last year, the Baker administration introduced a bill that would allow officials to raise the cap to \$50 million for an “extraordinary economic development opportunity,” saying they were unable to offer General Electric substantial job creation tax incentives. Instead, the state helped pay for infrastructure work on GE’s new headquarters, using a different grant program. The measure passed the House of Representatives in an economic development bill, but was not included in the Senate’s version or the final one signed by Gov. Charlie Baker.

At the time, officials argued job creation incentives were becoming increasingly popular with companies looking to expand.

Baker yesterday didn’t rule out trying to raise the cap again, but said the incentive package offered to Amazon will depend on the site.

“We’ve had a lot of companies that have either come here or expanded here that did that without using a traditional economic development incentive package at all,” Baker said. “The task would fit the site and the expectation. That can mean a lot of things. It might mean using our current program. It might mean doing something with infrastructure. It might mean doing both.”