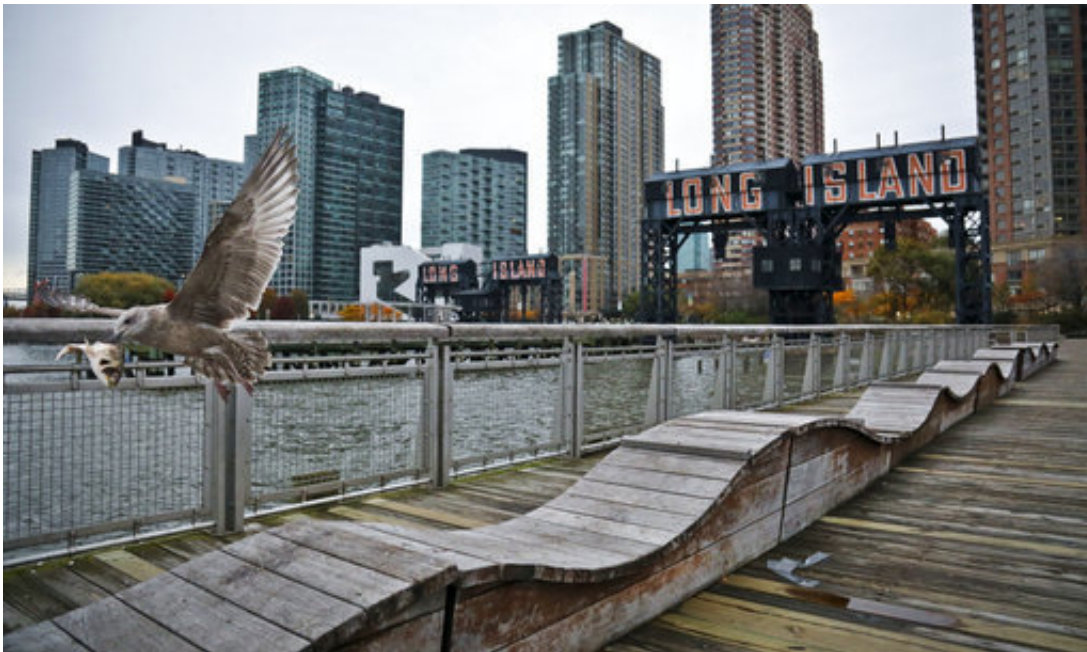# Amazon touted as big win for NY, but math is more complex

December 10 2018, by Jennifer Peltz

In this Nov. 13, 2018, file photo, a sea gull flies off holding fish scraps near a former dock facility, with "Long Island" painted on old transfer bridges at Gantry State Park in the Long Island City section of the Queens Borough in New York. New York officials say their deal to land a new Amazon headquarters is a big win for the city, but the math is a little more complicated than government projections indicate. (AP Photo/Bebeto Matthews, File)

New York officials say their deal to land a new Amazon headquarters is a big win for the city—but the math is a little more complicated than government projections indicate.

The state's predicted 9-to-1 return on investment was based on a widely used economic model that compares the cost of tax incentives with expected gains in tax revenue.

Those projections indicate that in exchange for up to $3 billion in tax breaks and grants, Amazon's new campus in Queens will generate $27 billion in new taxes over a quarter-century.

But experts note the analysis doesn't include added costs of providing public services like schools, police and fire to Amazon workers and their families, giving the public an incomplete picture of the project's overall costs.

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