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Amazon's Pivot Raises Scrutiny of Incentive Deals.

New York bills call for compacts with other states promising to not provide any company-specific subsidies

The collapse of Amazon.com Inc.'s plan to build a second headquarters in New York City has the potential to damp some states' willingness to offer tax breaks.

Spurred by Amazon's second-headquarters selection process, politicians and groups long opposed to incentive packages have launched legislative efforts to prohibit them in some states. In New York, bills proposed in the State Assembly and Senate call for compacts with other states promising to not provide any company-specific subsidies.

Recent pivots by large companies, including Foxconn Technology Group and General Electric Co. , will likely lead to increased attention to incentives tied to performance and timelines, with an emphasis on long-term commitments, said Jeff Finkle, president of the International Economic Development Council, a group that represents economic-development officials across the U.S.

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The Wall Street Journal

By Valerie Bauerlein, Kate King and Cameron McWhirter

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