MOMS ACROSS AMERICA
DATA CENTER ACTION

Subsidies & Tax Abatements

Data center subsidies already cost U.S. states billions of dollars in lost revenue annually, yet many states do not clearly disclose which companies receive the subsidies, how much they receive, or what the public gets in return... even when the beneficiaries are some of the wealthiest corporations on planet Earth.

KEY FACTS

1. **Data center tax breaks are now widespread**. **The National Conference of State Legislatures** reports that **38 states** now offer dedicated tax incentives for data centers, including sales and use tax exemptions, electricity exemptions, and property tax abatements.

2. **Many data center subsidies are hidden from public view.** **Good Jobs First** found that about **36 states** have subsidies specifically crafted for data centers, but only **11 states** disclose which companies receive them. Even among states that disclose recipients, none disclose the ultimate parent company, meaning residents may see an LLC name instead of the Big Tech company behind it.

3. **Virginia's data center tax break became a billion-dollar giveaway.** A **JLARC report** says the **FY24 estimate for Virginia's data center exemption was over $1 billion**, and that the data center sales and use tax exemption accounted for **53% of all incentive spending over the decade**, totaling **$2.7 billion**.

4. **Research is showing that most data center projects would still happen even without subsidies.** In December 2025, a **University of Georgia evaluation** prepared for the Georgia Department of Audits and Accounts estimated that only **30%** of data center construction in Georgia may be attributed to the tax exemption, meaning about **70% likely would have happened anyway**. The study also found that increased state tax collections were not high enough to offset the forgone revenue, leaving the state with a negative fiscal impact.

5. **States are starting to push back.** During the 2026 state legislative sessions, **NCSL** reports that lawmakers introduced bills in at least **28 of the 38 states** with data center incentives to substantially amend existing tax breaks. At least **nine states** considered bills to completely repeal their data center incentives.

QUESTIONS FOR LOCAL OFFICIALS

- What tax breaks, abatements, exemptions, grants, discounted utility rates, or other public benefits is this data center requesting?
- Has an independent cost-benefit analysis been completed showing that the public will receive more than it gives up?
- How much public revenue will be waived over the full life of the deal, and which budgets could lose money, including schools, emergency services, roads, or local government services?
- How many permanent local jobs are guaranteed, what will they pay, and what is the public subsidy cost per job?
- Will the company be required to publicly report its energy use, water use, tax savings, job creation, and compliance with the agreement every year?
- Are there clawbacks, caps, expiration dates, or penalties if the company fails to deliver the promised jobs, investment, or community benefits?

Cautionary Example

Ohio projected its data center sales tax exemption would cost about **$136 million** in 2025, but **reporting** tied to Ohio Department of Taxation data found the actual cost was nearly **$1.6 billion**. After the cost ballooned, **Gov. Mike DeWine directed the Ohio Tax Credit Authority** to **pause consideration of new data center tax exemption requests** in May 2026, while lawmakers review the industry's growing impacts.

Community Win

Maine put a limit on data center giveaways. In **April of 2026**, Maine passed **LD 713**, excluding new data centers from major business tax exemption programs and requiring a study of what public incentives data centers receive before offering more.

Call to Action

No blank checks for Big Tech! Local officials should not approve any data center tax break until residents know exactly how much public revenue is being waived, who benefits, what the community gets in return, and what happens if the company fails to deliver.