

# California companies get billions in tax breaks

By Teri Sforza, Orange County Register

Businesses in California were given state tax breaks worth about \$2.67 billion over the past two decades, with more than half the money going to two sectors of the economy – those trading in war and circus.

These tax breaks – denounced as “corporate welfare” or praised as “business incentives” – totaled \$889.3 million for aerospace and military contractors, and \$389.4 million for entertainment and media companies, according to public data compiled by the nonprofit Good Jobs First.

The biggest breaks went to two aerospace defense giants, Lockheed Martin and Northrop Grumman. In 2014, the Legislature approved a controversial bill aimed specifically at Lockheed, a key subcontractor for Boeing on a bid to build next-generation bombers for the Air Force. The bill granted Lockheed a tax credit of 17.5 percent of wages paid to its workers, worth \$420 million over the 15-year life of the deal.

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