

Amazon deal takes effect in state today

Retailer expected get busy on new distribution site, which opens in fall

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Online retailer Amazon is gearing up to finish a distribution center that will bring 2,000 jobs to the Midlands within three years.

The sales tax collection exemption Amazon wanted for the \$125 million project near Cayce took effect today after Gov. Nikki Haley let it do so without her signature as she promised.

"Amazon has got what it needs to get busy ... to get everything up and running," House Republican Leader Kenny Bingham of Cayce said.

Company officials declined comment Tuesday but earlier pledged to resume equipping the center and hiring staff once the exemption is in effect.

Lexington County officials expect the center will be in operation this fall but aren't sure if it will open in October as originally planned.

"We'll see it ripping and roaring there soon," Lexington County Councilman Bill Banning of West Columbia predicted.

Work on the 1 million-square-foot center, off I-77 and 12th Street, slowed after the tax break initially was rejected. But the Legislature later approved the

measure June 1.

The new center is one of the Midlands' largest developments in recent years.

Amazon is getting a five-year exemption from collecting sales taxes on purchases by South Carolina residents.

It must notify customers that taxes are due on purchases but doesn't have to tell state revenue officials who bought and how much. Buyers of goods online are supposed to pay taxes but few do, officials say.

The tax loss from the exemption is estimated initially at \$2.5 million yearly. But supporters say state and local coffers will net at least \$11 million annually from payroll and property taxes the center will generate.

Republican Haley, who calls job creation her top goal, didn't welcome Amazon to her home area.

Some Democratic lawmakers plan to do so today and rap her hands-off approach, which they say created problems in paving the way for the company's arrival.

Haley doesn't like the break Amazon received — a deal made by her predecessor shortly before leaving office in January — but chose to let it happen.