

Local Journalism Sustainability Act

The Local Journalism Sustainability Act is a bill that provides a pathway to financial viability for local news in newspapers, in digital only publications, and on television and radio stations through a series of tax credits. Newspapers and broadcasters have been a trusted source of local news and information during the COVID pandemic. At the same time, they have been under financial pressure from both the pandemic and on account of revenue loss from unfair and abusive practices by tech platforms.

Local News Subscription Credit

This credit will incentivize Americans to subscribe to local newspapers or donate to local nonprofit news publishers.

- Five-year credit of up to \$250 annually.

 - Credit covers 80% of subscription costs in first year and 50% in subsequent four years.

 - o To receive full \$250 credit, a subscriber would have to spend at least \$312.50 in the first year, and \$500 each of the following four years.

- Credit can be used to help support a donation to a nonprofit local news publisher.

Local News Journalist Compensation Credit

This credit will provide newspapers, local digital only news publications, nonprofit local newsrooms, and commercial and public broadcasters the ability to retain and hire more dedicated local news journalists to improve their newsroom coverage.

- Five-year credit of up to \$25,000 per journalist in first year and up to \$15,000 in subsequent four years.

- Credit covers 50% of compensation up to \$50,000 in first year, and 30% of compensation up to \$50,000 in subsequent four years.

- Journalist must meet a minimum of 100 hours of work per quarter to qualify as an eligible employee.

Local Newspaper and Local Media Advertising Credit

This credit will provide small business financial flexibility to spend on advertising in local news publisher and media.

- Five-year credit of up to \$5,000 in first year and up to \$2,500 in subsequent four years.

 - Credit covers 80% of advertising costs in first year and 50% in subsequent four years.

- To increase flexibility, small businesses may utilize this credit to advertise with local television and radio stations, in addition to local newspapers, digital-only local news sources and nonprofit news organizations.

Representatives Kirkpatrick and Newhouse have introduced a bipartisan House version of this the Local Journalism Sustainability Act (H.R.3940).