

Community News & Small Business Support Act

118th Congress – Rep. Claudia Tenney (R-NY)
Rep. Suzan DelBene (D-WA)

Small businesses are facing stiff headwinds with the advent of Big Tech. Local newspapers and media are also facing significant economic challenges – and on average two newspapers are closing each week. In light of this, the Community News & Small Business Support Act proposes a series of two tax credits aimed at bolstering small businesses and local newspapers/media. The credits are as follows:

Credit for Advertising in Local Newspapers and Local Media

- This five-year non-refundable credit provides businesses with less than 50 employees up to **\$5,000 in the first year** and up to **\$2,500 in the subsequent four years** to spend with local newspapers and local media.

*A newspaper is defined as print and digital publications with content relating to news and current events, and the publication primarily serves the needs of a regional or local community. The newspaper must employ one full-time local news journalist who resides in the region or community, and the newspaper may not have more than 750 employees. Large national newspapers do not qualify. Local media is defined as radio and television stations licensed by the Federal Communications Commission to serve a local community.

- The credit covers **80% of advertising costs in the first year** and **50% in the next four years**.
 - To receive the full \$5,000 in the first year, a business will have spent at least \$6,250 on advertising in local newspapers and local media.
 - To receive the full \$2,500 in the next four years, a business will have spent at least \$5,000 on advertising in local newspapers and local media.

Payroll Credit for Compensation of Journalists

- This five-year **refundable** tax credit provides local newspapers and local news organizations a credit to use for the compensation of journalists.
 - The credit may be used on **compensation up to \$50,000 a year**.
 - The credit covers **50% of compensation**, up to \$25,000, in the first year and **30% of compensation**, up to \$50,000, in the subsequent four years.
 - A local newspaper may claim up to \$40,000 per journalist in the first year and up to \$25,000 per journalist in the next four years.

The Community News & Small Business Support Act is a win-win for local communities. More local reporting means more access to hometown news citizens rely on. And stronger newspapers mean stronger advertising vehicles for local businesses. The credit will encourage all publishers to invest in their newsroom. If they don't have the newsroom investment, they don't get the credits.

For more information about the Community News & Small Business Support Act, including the full description of the bill, visit www.supportcommunitynews.com.