The Community News and Small Business Support Act
Rep. Claudia Tenney (R-NY) and Rep. Suzan DelBene (D-WA)

This legislation uses First Amendment-friendly tax credits to counter the collapse of local news and give a boost to small businesses


Tax Credit for Small Businesses That Advertise with Local News
- Small businesses can get a tax credit of up to $5,000 in the first year of the bill and $2,500 in the next 4 years to help pay for advertising in local news organizations
- Small businesses must have 50 or fewer employees
- The credit will cover 80% of its ad spending in the first year, 50% in years 2-5. (If it spent $5,000 on advertising, $4,000 might be reimbursed in the first year; $2,500 in the other years.)
- Eligible local news organizations include a variety of local news organizations:
  - newspapers with fewer than 750 employees, and at least one local news reporter
  - Websites with at least one reporter covering local news
  - TV and radio stations licensed by the FCC
- Covers traditional advertising and “sponsorships” with nonprofit local newsrooms
- News organizations funded by PACs, 501c4 and other prohibited classes are not eligible

Payroll Tax Credit for Employment of Local Journalists
- A local newspaper or website may claim up to $25,000 per local journalist in the first year and up to $15,000 in the following four years, in the form of refundable payroll tax credit
- The credit would cover 50% of compensation, up to $50,000, in the first year and 30% of compensation, up to $50,000, in each of the subsequent four years.
- Eligible newsrooms would include a newspaper or website
  - with “original content derived from primary sources and relating to news and current events” & “primarily serves the needs of a regional or local community”
  - employs one local journalist and
  - is not controlled by a PAC, 501c4 or other disqualified organizations

The definition of a local journalist is:
- Someone who works at least 200 hours per quarter for the newsroom
- Who “regularly gathers, prepares, produces, collects, edits, photographs, records, directs the recording of, writes, presents, or reports news or information that concerns local events or other matters of local public interest.”