



# Local Journalism Sustainability Act

117<sup>th</sup> Congress

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**Supported by:** Report for America, America's Newspapers, National Newspaper Association, News Media Alliance, Rebuild Local News Coalition

The Local Journalism Sustainability Act is a bipartisan bill that provides a pathway to financial viability for local newspapers, be them in print or online, through a series of three tax credits. Such publications were already facing financial hardships prior to the COVID-19 pandemic, which have only worsened over the last year.

## Local Newspaper Subscription Credit

This credit will grow publications' subscription bases by incentivizing Americans to subscribe to local newspapers.

- 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 with non-profit publications if the publication is the non-profit's primary activity.

## Local Newspaper Journalist Compensation Credit

This credit will provide publications the ability to hire more dedicated local news journalists to improve their newsroom coverage.

- Five-year credit of up to \$25,000 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 newspapers 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.
  - o To receive full \$5,000 in first year and \$2,500 in subsequent four years, a small business would have spent at least \$6,250 and \$5,000 respectively.
- To increase flexibility, small businesses may utilize this credit to advertise with local television and radio stations, in addition to local newspapers.

## Definition of Local Newspaper

For the purposes of this bill, local newspaper is defined as a print or digital publication if:

- The primary content of such publication is original content derived from primary sources and relating to news and current events.
- Such publication primarily serves the needs of a regional or local community.
- The publisher of such publication employs at least one local news journalist who resides in such regional or local community.
- The publisher of such publication employs not greater than 750 employees.

## Definition of Local News Journalist

For the purposes of this bill, local news journalist is defined as an individual employed by a local newspaper who:

- Regularly gathers, collects, photographs, records, writes, or reports news or information that concerns local events or other matters of local public interest.

To review cosponsors from the previous (116<sup>th</sup>) Congress, [click here](#). Please contact [Ben.Owens@mail.house.gov](mailto:Ben.Owens@mail.house.gov) with Rep. Kirkpatrick's office, or [Aaron.Larson@mail.house.gov](mailto:Aaron.Larson@mail.house.gov) with Rep. Newhouse's office, with any questions.