

119TH CONGRESS
1ST SESSION

H. R. 4514

To provide tax incentives that support local newspapers and other local media, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 17, 2025

Mr. MANNION introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide tax incentives that support local newspapers and other local media, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Local Journalism Sus-
5 tainability Act”.

6 **SEC. 2. CREDIT FOR LOCAL NEWSPAPER SUBSCRIPTIONS.**

7 (a) IN GENERAL.—Subpart A of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by inserting after section 25E the fol-
10 lowing new section:

1 **“SEC. 25F. LOCAL NEWSPAPER SUBSCRIPTIONS.**

2 “(a) IN GENERAL.—In the case of an individual,
3 there shall be allowed as a credit against the tax imposed
4 by this chapter for the taxable year an amount equal to
5 the applicable percentage of amounts paid or incurred for
6 subscriptions to one or more local newspapers for the per-
7 sonal use of the taxpayer.

8 “(b) ANNUAL DOLLAR LIMITATION.—The credit al-
9 lowed under subsection (a) to any taxpayer for any taxable
10 year shall not exceed \$250.

11 “(c) APPLICABLE PERCENTAGE.—For purposes of
12 this section, the term ‘applicable percentage’ means—

13 “(1) in the case of the first taxable year to
14 which this section applies, 80 percent, and

15 “(2) in the case of any subsequent taxable year,
16 50 percent.

17 “(d) LOCAL NEWSPAPER.—For purposes of this sec-
18 tion—

19 “(1) IN GENERAL.—The term ‘local newspaper’
20 means any print or digital publication if—

21 “(A) the primary content of such publica-
22 tion is original content derived from primary
23 sources and relating to news and current
24 events,

25 “(B) such publication primarily serves the
26 needs of a regional or local community,

1 “(C) the publisher of such publication em-
2 ploys at least one local news journalist who re-
3 sides in such regional or local community, and

4 “(D) the publisher of such publication em-
5 ploys not greater than 750 employees.

6 “(2) LOCAL NEWS JOURNALIST.—For purposes
7 of paragraph (1)(C), the term ‘local news journalist’
8 means any individual who regularly gathers, collects,
9 photographs, records, writes, or reports news or in-
10 formation that concerns local events or other mat-
11 ters of local public interest.

12 “(3) AGGREGATION RULE.—

13 “(A) IN GENERAL.—For purposes of sub-
14 paragraphs (C) and (D) of paragraph (1), all
15 persons treated as a single employer under sub-
16 section (a) or (b) of section 52, or subsection
17 (m) or (o) of section 414, shall be treated as
18 one person.

19 “(B) EXCEPTION.—Subparagraph (A)
20 shall not apply unless such persons are involved
21 in the production of the same print or digital
22 publication.

23 “(4) CONTINUOUS QUALIFICATION.—The re-
24 quirements of subparagraphs (A) and (B) of para-
25 graph (1) shall not be treated as met unless such re-

quirements are met at all times during the period beginning on the date which is 2 years before the date of the enactment of this section and ending on the date that the subscription described in subsection (a) is paid or incurred.

“(5) APPLICATION TO CERTAIN ORGANIZATIONS EXEMPT FROM TAX.—In the case of any print or digital publication which is published by any organization described in section 501(c) and exempt from tax under section 501(a)—

“(A) such publication shall be treated as a local newspaper only if the publication of print and digital publications is the primary activity of such organization, and

“(B) any person making a charitable contribution (as defined in section 170(c)) to such organization may elect to treat such contribution as an amount paid or incurred for a subscription to which this section applies in lieu of treating such contribution as a charitable contribution for purposes of section 170.

“(e) TERMINATION.—No credit shall be allowed under this section for any amount paid or incurred in a taxable year ending after the close of 5-year period beginning on the date of the enactment of this section.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 for subpart A of part IV of subchapter A of chapter 1
 3 is amended by inserting after the item relating to section
 4 25E the following new item:

“Sec. 25F. Local newspaper subscriptions.”.

5 (c) EFFECTIVE DATE.—The amendments made by
 6 this section shall apply to amounts paid or incurred in tax-
 7 able years beginning after the date of the enactment of
 8 this Act.

9 **SEC. 3. PAYROLL CREDIT FOR COMPENSATION OF LOCAL**
 10 **NEWS JOURNALISTS.**

11 (a) IN GENERAL.—In the case of an eligible local
 12 newspaper publisher, there shall be allowed as a credit
 13 against the taxes imposed by section 3111(a) of the Inter-
 14 nal Revenue Code of 1986 for each calendar quarter an
 15 amount equal to the applicable percentage of wages paid
 16 by such publisher to local news journalists for such cal-
 17 endar quarter.

18 (b) LIMITATIONS AND REFUNDABILITY.—

19 (1) WAGES TAKEN INTO ACCOUNT.—The
 20 amount of wages paid with respect to any individual
 21 which may be taken into account under subsection
 22 (a) during any calendar quarter by the eligible local
 23 newspaper publisher shall not exceed \$12,500.

24 (2) CREDIT LIMITED TO EMPLOYMENT
 25 TAXES.—The credit allowed by subsection (a) with

1 respect to any calendar quarter shall not exceed the
 2 applicable employment taxes (reduced by any credits
 3 allowed under subsections (e) and (f) of section
 4 3111 of the Internal Revenue Code of 1986) on the
 5 wages paid with respect to the employment of all the
 6 employees of the eligible local newspaper publisher
 7 for such calendar quarter.

8 (3) REFUNDABILITY OF EXCESS CREDIT.—

9 (A) IN GENERAL.—If the amount of the
 10 credit under subsection (a) exceeds the limita-
 11 tion of paragraph (2) for any calendar quarter,
 12 such excess shall be treated as an overpayment
 13 that shall be refunded under sections 6402(a)
 14 and 6413(b) of the Internal Revenue Code of
 15 1986.

16 (B) TREATMENT OF PAYMENTS.—For pur-
 17 poses of section 1324 of title 31, United States
 18 Code, any amounts due to the employer under
 19 this paragraph shall be treated in the same
 20 manner as a refund due from a credit provision
 21 referred to in subsection (b)(2) of such section.

22 (c) DEFINITIONS.—For purposes of this section—

23 (1) APPLICABLE PERCENTAGE.—The term “ap-
 24 plicable percentage” means—

1 (A) in the case of each of the first 4 cal-
 2 endar quarters to which this section applies, 50
 3 percent; and

4 (B) in the case of each calendar quarter
 5 thereafter, 30 percent.

6 (2) ELIGIBLE LOCAL NEWSPAPER PUB-
 7 LISHER.—The term “eligible local newspaper pub-
 8 lisher” means, with respect to any calendar quarter,
 9 any employer if substantially all of the gross receipts
 10 of such employer for such calendar quarter are de-
 11 rived in the trade or business of publishing local
 12 newspapers (as defined in section 25F(d)(1)).

13 (3) LOCAL NEWS JOURNALIST.—The term
 14 “local news journalist” means, with respect to any
 15 eligible local newspaper publisher for any calendar
 16 quarter, any individual who provides at least 100
 17 hours of service as a local news journalist (as de-
 18 fined in section 25F(d)(2)) during such calendar
 19 quarter to such eligible local newspaper publisher.

20 (4) SECRETARY.—The term “Secretary” means
 21 the Secretary of the Treasury or the Secretary’s del-
 22 egate.

23 (5) OTHER TERMS.—Any term used in this sec-
 24 tion which is also used in chapter 21 of the Internal

1 Revenue Code of 1986 shall have the same meaning
2 as when used in such chapter.

3 (d) AGGREGATION RULE.—

4 (1) IN GENERAL.—All persons treated as a sin-
5 gle employer under subsection (a) or (b) of section
6 52 of the Internal Revenue Code of 1986, or sub-
7 section (m) or (o) of section 414 of such Code, shall
8 be treated as one employer for purposes of this sec-
9 tion.

10 (2) EXCEPTION.—Paragraph (1) shall not
11 apply unless such persons are involved in the pro-
12 duction of the same print or digital publication.

13 (e) CERTAIN RULES TO APPLY.—For purposes of
14 this section, rules similar to the rules of sections 51(i)(1)
15 and 280C(a) of the Internal Revenue Code of 1986 shall
16 apply.

17 (f) CERTAIN GOVERNMENTAL EMPLOYERS.—This
18 credit shall not apply to the Government of the United
19 States, the government of any State or political subdivi-
20 sion thereof, or any agency or instrumentality of any of
21 the foregoing.

22 (g) ELECTION TO HAVE SECTION NOT APPLY.—
23 This section shall not apply with respect to any eligible
24 local newspaper publisher for any calendar quarter if such

1 person elects (at such time and in such manner as the
2 Secretary may prescribe) not to have this section apply.

3 (h) SPECIAL RULES.—

4 (1) EMPLOYEE NOT TAKEN INTO ACCOUNT
5 MORE THAN ONCE.—An employee shall not be in-
6 cluded for purposes of this section for any period
7 with respect to any employer if such employer is al-
8 lowed a credit under section 51 of the Internal Rev-
9 enue Code of 1986 with respect to such employee for
10 such period.

11 (2) DENIAL OF DOUBLE BENEFIT.—Any wages
12 taken into account in determining the credit allowed
13 under this section shall not be taken into account for
14 purposes of determining the credit allowed under
15 section 45S of such Code.

16 (3) THIRD-PARTY PAYORS.—Any credit allowed
17 under this section shall be treated as a credit de-
18 scribed in section 3511(d)(2) of such Code.

19 (i) TRANSFERS TO FEDERAL OLD-AGE AND SUR-
20 VIVORS INSURANCE TRUST FUND.—There are hereby ap-
21 propriated to the Federal Old-Age and Survivors Insur-
22 ance Trust Fund and the Federal Disability Insurance
23 Trust Fund established under section 201 of the Social
24 Security Act (42 U.S.C. 401) amounts equal to the reduc-
25 tion in revenues to the Treasury by reason of this section

1 (without regard to this subsection). Amounts appropriated
2 by the preceding sentence shall be transferred from the
3 general fund at such times and in such manner as to rep-
4 licate to the extent possible the transfers which would have
5 occurred to such Trust Fund or Account had this section
6 not been enacted.

7 (j) TREATMENT OF DEPOSITS.—The Secretary shall
8 waive any penalty under section 6656 of the Internal Rev-
9 enue Code of 1986 for any failure to make a deposit of
10 any applicable employment taxes if the Secretary deter-
11 mines that such failure was due to the reasonable anticipa-
12 tion of the credit allowed under this section.

13 (k) REGULATIONS AND GUIDANCE.—The Secretary
14 shall issue such forms, instructions, regulations, and guid-
15 ance as are necessary—

16 (1) to allow the advance payment of the credit
17 under subsection (a), subject to the limitations pro-
18 vided in this section, based on such information as
19 the Secretary shall require;

20 (2) to provide for the reconciliation of such ad-
21 vance payment with the amount advanced at the
22 time of filing the return of tax for the applicable cal-
23 endar quarter or taxable year; and

24 (3) with respect to the application of the credit
25 under subsection (a) to third-party payors (including

1 professional employer organizations, certified profes-
2 sional employer organizations, or agents under sec-
3 tion 3504 of the Internal Revenue Code of 1986),
4 including regulations or guidance allowing such
5 payors to submit documentation necessary to sub-
6 stantiate the eligible employer status of employers
7 that use such payors.

8 (l) APPLICATION.—This section shall only apply to
9 calendar quarters during the first 5 calendar years begin-
10 ning after the date of the enactment of this Act.

11 **SEC. 4. CREDIT FOR ADVERTISING IN LOCAL NEWSPAPERS**
12 **AND LOCAL MEDIA.**

13 (a) IN GENERAL.—Subpart D of part IV of sub-
14 chapter A of chapter 1 of the Internal Revenue Code of
15 1986 is amended by adding at the end the following new
16 section:

17 **“SEC. 45BB. ADVERTISING IN LOCAL NEWSPAPERS AND**
18 **LOCAL MEDIA.**

19 “(a) IN GENERAL.—For purposes of section 38, in
20 the case of any eligible small business, the local media ad-
21 vertising credit determined under this section for any tax-
22 able year is an amount equal to the applicable percentage
23 of the qualified local media advertising expenses paid or
24 incurred by the taxpayer during such taxable year.

1 “(b) LIMITATION.—The credit allowed under sub-
2 section (a) to any taxpayer for any taxable year shall not
3 exceed—

4 “(1) in the case of the first taxable year to
5 which this section applies, \$5,000, and

6 “(2) in the case of any subsequent taxable year,
7 \$2,500.

8 “(c) APPLICABLE PERCENTAGE.—For purposes of
9 this section, the term ‘applicable percentage’ means—

10 “(1) in the case of the first taxable year to
11 which this section applies, 80 percent, and

12 “(2) in the case of any subsequent taxable year,
13 50 percent.

14 “(d) ELIGIBLE SMALL BUSINESS.—For purposes of
15 this section, the term ‘eligible small business’ means any
16 person for any taxable year if the average number of full-
17 time employees (as determined for purposes of deter-
18 mining whether an employer is an applicable large em-
19 ployer for purposes of section 4980H(c)(2) of the Internal
20 Revenue Code of 1986) employed by such person during
21 such taxable year was less than 50.

22 “(e) QUALIFIED LOCAL MEDIA ADVERTISING EX-
23 PENSES.—For purposes of this section—

24 “(1) IN GENERAL.—The term ‘qualified local
25 media advertising expenses’ means amounts paid or

1 incurred in the ordinary course of a trade or busi-
2 ness for advertising in a local newspaper (as defined
3 in section 25F(d)) or a broadcast of a local radio or
4 television station.

5 “(2) LOCAL RADIO OR TELEVISION STATION.—
6 The term ‘local radio or television station’ means
7 any broadcast radio or television station licensed by
8 the Federal Communications Commission to serve a
9 local community.

10 “(f) SPECIAL RULES.—

11 “(1) DENIAL OF DOUBLE BENEFIT.—No deduc-
12 tion shall be allowed for any qualified local media
13 advertising expenses otherwise allowable as a deduc-
14 tion for the taxable year which is equal to the
15 amount of the credit determined for such taxable
16 year under subsection (a).

17 “(2) AGGREGATION RULE.—All persons treated
18 as a single employer under subsection (a) or (b) of
19 section 52 of the Internal Revenue Code of 1986, or
20 subsection (m) or (o) of section 414 of such Code,
21 shall be treated as one employer for purposes of this
22 section.

23 “(g) TERMINATION.—No credit shall be allowed
24 under this section for any amount paid or incurred in a

1 taxable year ending after the close of 5-year period begin-
 2 ning on the date of the enactment of this section.”.

3 (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-
 4 NESS CREDIT.—Section 38(b) is amended by striking
 5 “plus” at the end of paragraph (40), by striking the period
 6 at the end of paragraph (41) and inserting “, plus”, and
 7 by adding at the end the following new paragraph:

8 “(42) in the case of an eligible small business,
 9 the local media advertising credit determined under
 10 section 45BB(a).”.

11 (c) CLERICAL AMENDMENT.—The table of sections
 12 for subpart D of part IV of subchapter A of chapter 1
 13 of such Code is amended by adding at the end the fol-
 14 lowing new item:

“Sec. 45BB. Advertising in local newspapers and local media.”.

15 (d) EFFECTIVE DATE.—The amendments made by
 16 this section shall apply to amounts paid or incurred in tax-
 17 able years beginning after the date of the enactment of
 18 this Act.

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