

The Local Journalism Sustainability Act of 2021 creates the following tax credits:

Local News Subscription Credit:

- This credit will incentivize Americans to subscribe to local newspapers or donate to local nonprofit news publishers.
- It is a five-year credit of up to \$250 annually. This credit covers 80% of subscription costs in the first year and 50% in the subsequent four years.
- The credit can also be used to help support a donation to a nonprofit local news publisher.

Local Journalist Compensation Credit:

- This credit will provide newspapers, local digital-only news publications, nonprofit local newsrooms, and commercial and public broadcasters the ability to hire more dedicated local news journalists to improve their newsroom coverage.
- It is a five-year credit of up to \$25,000 in first year and up to \$15,000 in subsequent four years.
- The credit covers 50% of compensation up to \$50,000 in first year, and 30% of compensation up to \$50,000 in subsequent four years.
- Journalists must meet a minimum of 100 hours of work per quarter to qualify as an eligible employee.

Local Media Advertising Credit:

- This credit will provide small businesses financial flexibility to spend on advertising in local news publisher and media.
- It is a five-year credit of up to \$5,000 in first year and up to \$2,500 in subsequent four years, covering 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.