

# STATE OF NEW YORK

4254

2023-2024 Regular Sessions

## IN ASSEMBLY

February 13, 2023

Introduced by M. of A. McDONOUGH -- read once and referred to the  
Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing tax credits for  
local newspaper subscriptions, newspaper payrolls, and local media  
advertising; and providing for the repeal of certain provisions upon  
expiration thereof

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Section 606 of the tax law is amended by adding a new  
2 subsection (ooo) to read as follows:

3 (ooo) Local newspaper subscription tax credit. (1) Allowance of cred-  
4 it. A taxpayer with a subscription to a local newspaper during the taxa-  
5 ble year shall be allowed a credit against the tax imposed by this arti-  
6 cle in an amount not to exceed two hundred fifty dollars.

7 (2) Definitions. (A) For the purposes of this subsection, "local news-  
8 paper" shall mean any print or digital publication if: (i) the primary  
9 content of such publication is original content derived from primary  
10 sources and relating to news and current events;

11 (ii) at least fifty-one percent of the readers of such publication,  
12 including both print and digital versions, reside in:

13 a. a single county within this state, or

14 b. a single area with a two hundred mile radius;

15 (iii) at least fifty percent of such publication's content is original  
16 and is created or produced by persons receiving compensation for their  
17 services from such publication;

18 (iv) the publication employs at least one local news journalist who  
19 resides in such county or single area; and

20 (v) the publication employs not greater than two hundred employees.

21 The requirements of clauses (i) through (v) of this subparagraph shall  
22 not be treated as met unless such requirements are met at all times

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 during the period beginning on the date which is two years before the  
2 effective date of this subsection.

3 (B) In the case of any print or digital publication which is published  
4 by any tax exempt organization, such publication shall be treated as a  
5 local newspaper only if:

6 (i) the publication of print and digital publications is the primary  
7 activity of such organization, and

8 (ii) any person making a charitable contribution to such organization  
9 may elect to treat such contribution as an amount paid or incurred for a  
10 subscription to which this subsection applies in lieu of treating such  
11 contribution as a charitable contribution.

12 § 2. Section 606 of the tax law is amended by adding a new subsection  
13 (ppp) to read as follows:

14 (ppp) Newspaper payroll tax credit. (1) General. A taxpayer shall be  
15 allowed a credit against the tax imposed by this article for each quar-  
16 ter during the taxable year in an amount equal to the applicable  
17 percentage of the qualified journalism compensation paid to each indi-  
18 vidual for such quarter.

19 (2) Amount of credit. (A) The amount of qualified journalism compen-  
20 sation paid with respect to any individual which may be taken into  
21 account under paragraph one of this subsection during any quarter during  
22 the taxable year by the eligible newspaper employer shall not exceed  
23 twelve thousand five hundred dollars.

24 (B) The credit allowed by paragraph one of this subsection with  
25 respect to any quarter during the taxable year shall not exceed the  
26 applicable employment taxes on the wages paid with respect to the  
27 employment of all the employees of the eligible newspaper employer for  
28 such quarter.

29 (C) If the amount of the credit allowed under this subsection for any  
30 taxable year shall exceed the taxpayer's tax for such year, the excess  
31 shall be treated as an overpayment of tax to be credited or refunded in  
32 accordance with the provisions of section six hundred eighty-six of this  
33 article, provided, however, that no interest shall be paid thereon.

34 (3) Definitions. For purposes of this subsection, the following terms  
35 shall have the following meanings:

36 (A) "Applicable percentage" shall mean:

37 (i) for taxable years beginning in two thousand twenty-four, each of  
38 the first four quarters during the taxable year to which this subsection  
39 applies, fifty percent; and

40 (ii) for taxable years beginning after two thousand twenty-four, each  
41 quarter during the taxable year thereafter, thirty percent.

42 (B) "Eligible newspaper employer" shall mean, with respect to any  
43 quarter during the taxable year, any employer if: (i) substantially all  
44 of the gross receipts of such employer for such quarter are derived from  
45 the trade or business of printing or publishing print or digital publi-  
46 cations the primary content of which is original content derived from  
47 primary sources and relating to news and current events;

48 (ii) at least fifty-one percent of the readers of which reside in:

49 a. a single county within this state; or

50 b. a single area with a two hundred mile radius;

51 (iii) at least fifty percent of such publication's content is original  
52 and is created or produced by persons receiving compensation for their  
53 services from such publication;

54 (iv) the publication employs at least one local news journalist who  
55 resides in such county or single area; and

56 (v) the publication employs not greater than two hundred employees.

The requirements of clauses (i) through (v) of this subparagraph shall not be treated as met unless such requirements are met at all times during the period beginning on the date which is two years before the effective date of this subsection.

(C) "Qualified journalism compensation" shall mean:

(i) wages paid by an eligible newspaper employer to an employee for service as a journalist; and

(ii) in the case of remuneration paid to an individual who is not an employee of the employer, such remuneration as would be described in subparagraph (A) of this paragraph if such individual were such an employee.

(D) "Journalist" shall mean any individual who regularly gathers, prepares, collects, photographs, records, writes, edits, reports, or publishes news or information that concerns local, national, or international events or other matters of public interest for dissemination to the public.

§ 3. Section 606 of the tax law is amended by adding a new subsection (qqq) to read as follows:

(qqq) Local media advertising tax credit. (1) General. A taxpayer determined to be an eligible small business shall be allowed a credit against the tax imposed by this article for any taxable year in an amount equal to the applicable percentage of the qualified local media advertising expenses paid or incurred by such taxpayer during such taxable year.

(2) Amount of credit. The credit allowed under paragraph one of this subsection to any taxpayer for any taxable year shall not exceed:

(A) for taxable years beginning in two thousand twenty-four, five thousand dollars, and

(B) for taxable years beginning after two thousand twenty-four, two thousand five hundred dollars.

(3) Definitions. For the purposes of this subsection, the following terms shall have the following meanings:

(A) "Applicable percentage" shall mean:

(i) for taxable years beginning in two thousand twenty-four, eighty percent, and

(ii) for taxable years beginning after two thousand twenty-four, fifty percent.

(B) "Eligible small business" shall mean any person for any taxable year if the average number of full-time employees employed by such person during such taxable year was less than one thousand employees.

(C) "Qualified local media advertising expenses" shall mean amounts paid or incurred in the ordinary course of a trade or business for advertising in a local newspaper as defined in subparagraph (A) of paragraph two of subsection (nnn) of this section or a broadcast of a local radio or television station.

(D) "Local radio or television station" shall mean any broadcast radio or television station licensed by the federal communications commission to serve a local community.

(4) Denial of double benefit. No deduction shall be allowed for any qualified local media advertising expenses otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under paragraph one of this subsection.

§ 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (l) to read as follows:

(l) Local newspaper subscription            Amount of credit

tax credit under subsection (ooo) under subdivision  
fifty-nine of  
section two  
hundred ten-B

§ 5. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (li) to read as follows:

(li) Newspaper payroll Amount of credit  
tax credit under subsection (ppp) under subdivision  
sixty of  
section two  
hundred ten-B

§ 6. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (lii) to read as follows:

(lii) Local media advertising Amount of credit  
tax credit under subsection (qqq) under subdivision  
sixty-one of section  
two hundred ten-B

§ 7. Section 210-B of the tax law is amended by adding a new subdivision 59 to read as follows:

59. Local newspaper subscription tax credit. (a) Allowance of credit.  
A taxpayer with a subscription to a local newspaper during the taxable  
year shall be allowed a credit against the tax imposed by this article  
in an amount not to exceed two hundred fifty dollars.

(b) Definitions. (1) For the purposes of this subdivision, "local  
newspaper" shall mean any print or digital publication if: (i) if the  
primary content of such publication is original content derived from  
primary sources and relating to news and current events;

(ii) at least fifty-one percent of the readers of such publication,  
including both print and digital versions, reside in:

(A) a single county within this state, or

(B) a single area with a two hundred mile radius;

(iii) at least fifty percent of such publication's content is original  
and is created or produced by persons receiving compensation for their  
services from such publication;

(iv) the publication employs at least one local news journalist who  
resides in such county or single area; and

(v) the publication employs not greater than two hundred employees.

The requirements of clauses (i) through (v) of this subparagraph shall  
not be treated as met unless such requirements are met at all times  
during the period beginning on the date which is two years before the  
effective date of this subdivision.

(2) In the case of any print or digital publication which is published  
by any tax exempt organization, such publication shall be treated as a  
local newspaper only if:

(i) the publication of print and digital publications is the primary  
activity of such organization, and

(ii) any person making a charitable contribution to such organization  
may elect to treat such contribution as an amount paid or incurred for a  
subscription to which this subdivision applies in lieu of treating such  
contribution as a charitable contribution.

§ 8. Section 210-B of the tax law is amended by adding a new subdivision 60 to read as follows:

60. Newspaper payroll tax credit. (a) General. A taxpayer shall be  
allowed a credit against the tax imposed by this article for each quar-

1 ter during the taxable year in an amount equal to the applicable  
2 percentage of the qualified journalism compensation paid to each indi-  
3 vidual for such quarter.

4 (b) Amount of credit. (1) The amount of qualified journalism compen-  
5 sation paid with respect to any individual which may be taken into  
6 account under paragraph (a) of this subdivision during any quarter  
7 during the taxable year by the eligible newspaper employer shall not  
8 exceed twelve thousand five hundred dollars.

9 (2) The credit allowed by paragraph (a) of this subdivision with  
10 respect to any quarter during the taxable year shall not exceed the  
11 applicable employment taxes on the wages paid with respect to the  
12 employment of all the employees of the eligible newspaper employer for  
13 such quarter.

14 (3) If the amount of the credit allowed under this subdivision for any  
15 taxable year shall exceed the taxpayer's tax for such year, the excess  
16 shall be treated as an overpayment of tax to be credited or refunded in  
17 accordance with the provisions of section six hundred eighty-six of this  
18 chapter, provided, however, that no interest shall be paid thereon.

19 (c) Definitions. For purposes of this subdivision, the following terms  
20 shall have the following meanings:

21 (1) "Applicable percentage" shall mean:

22 (i) for taxable years beginning in two thousand twenty-four, each of  
23 the first four quarters during the taxable year to which this subdivi-  
24 sion applies, fifty percent; and

25 (ii) for taxable years beginning after two thousand twenty-four, each  
26 quarter during the taxable year thereafter, thirty percent.

27 (2) "Eligible newspaper employer" shall mean, with respect to any  
28 quarter during the taxable year, any employer if: (i) substantially all  
29 of the gross receipts of such employer for such quarter are derived from  
30 the trade or business of printing or publishing print or digital publi-  
31 cations the primary content of which is original content derived from  
32 primary sources and relating to news and current events;

33 (ii) at least fifty-one percent of the readers of which reside in:

34 (A) a single county within this state; or

35 (B) a single area with a two hundred mile radius;

36 (iii) at least fifty percent of such publication's content is original  
37 and is created or produced by persons receiving compensation for their  
38 services from such publication;

39 (iv) the publication employs at least one local news journalist who  
40 resides in such county or single area; and

41 (v) the publication employs not greater than two hundred employees.

42 The requirements of clauses (i) through (v) of this subparagraph shall  
43 not be treated as met unless such requirements are met at all times  
44 during the period beginning on the date which is two years before the  
45 effective date of this subdivision.

46 (3) "Qualified journalism compensation" shall mean:

47 (i) wages paid by an eligible newspaper employer to an employee for  
48 service as a journalist; and

49 (ii) in the case of remuneration paid to an individual who is not an  
50 employee of the employer, such remuneration as would be described in  
51 subparagraph one of this paragraph if such individual were such an  
52 employee.

53 (4) "Journalist" shall mean any individual who regularly gathers,  
54 prepares, collects, photographs, records, writes, edits, reports, or  
55 publishes news or information that concerns local, national, or interna-

1 tional events or other matters of public interest for dissemination to  
2 the public.

3 § 9. Section 210-B of the tax law is amended by adding a new subdivi-  
4 sion 61 to read as follows:

5 61. Local media advertising tax credit. (a) General. A taxpayer deter-  
6 mined to be an eligible small business shall be allowed a credit against  
7 the tax imposed by this article for any taxable year in an amount equal  
8 to the applicable percentage of the qualified local media advertising  
9 expenses paid or incurred by such taxpayer during such taxable year.

10 (b) Amount of credit. The credit allowed under paragraph (a) of this  
11 subdivision to any taxpayer for any taxable year shall not exceed:

12 (1) for taxable years beginning in two thousand twenty-four, five  
13 thousand dollars, and

14 (2) for taxable years beginning after two thousand twenty-four, two  
15 thousand five hundred dollars.

16 (c) Definitions. For the purposes of this subdivision, the following  
17 terms shall have the following meanings:

18 (1) "Applicable percentage" shall mean:

19 (i) for taxable years beginning in two thousand twenty-four, eighty  
20 percent, and

21 (ii) for taxable years beginning after two thousand twenty-four, fifty  
22 percent.

23 (2) "Eligible small business" shall mean any person for any taxable  
24 year if the average number of full-time employees employed by such  
25 person during such taxable year was less than one thousand employees.

26 (3) "Qualified local media advertising expenses" shall mean amounts  
27 paid or incurred in the ordinary course of a trade or business for  
28 advertising in a local newspaper as defined in subparagraph one of para-  
29 graph (b) of subdivision fifty-eight of this section or a broadcast of a  
30 local radio or television station.

31 (4) "Local radio or television station" shall mean any broadcast radio  
32 or television station licensed by the federal communications commission  
33 to serve a local community.

34 (d) Denial of double benefit. No deduction shall be allowed for any  
35 qualified local media advertising expenses otherwise allowable as a  
36 deduction for the taxable year which is equal to the amount of the cred-  
37 it determined for such taxable year under paragraph (a) of this subdivi-  
38 sion.

39 § 10. This act shall take effect immediately and shall apply to taxa-  
40 ble years commencing on and after January 1, 2024; provided, however,  
41 that the provisions of sections one, three, four, six, seven and nine of  
42 this act shall expire on December 31, 2029, when upon such date the  
43 provisions of such sections shall be deemed repealed.