STATE OF NEW YORK

3955--A

2025-2026 Regular Sessions

IN ASSEMBLY

January 30, 2025

Introduced by M. of A. LUNSFORD, LUPARDO, GRIFFIN, BURROUGHS, McDONALD, BUTTENSCHON, KELLES, DAIS -- read once and referred to the Committee on Economic Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the economic development law and the tax law in relation to enacting the lift our communities advertise locally (LOCAL) program; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. Short title. This act shall be known and may be cited as the "lift our communities advertise locally (LOCAL) program".

§ 2. The economic development law is amended by adding a new article 29 to read as follows:

ARTICLE 29

LIFT OUR COMMUNITIES ADVERTISE LOCALLY PROGRAM

Section 510. Short title.

511. Definitions.

512. Application and approval process.

513. Local newspaper and broadcast media business advertising tax credit.

514. Powers and duties of the commissioner.

§ 510. Short title. This article shall be known and may be cited as the "lift our communities advertise locally (LOCAL) program".

§ 511. Definitions. For the purposes of this article:

1. "Certificate of tax credit" shall mean the document issued to an eligible business by the department after the department has verified that such eligible business has met all applicable eligibility criteria under this article. The certificate shall specify the exact amount of the tax credit under this article that an eligible business may claim,

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

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pursuant to section five hundred thirteen and section five hundred fourteen of this article.

2. "Eligible business" shall mean a minority-owned business enterprise as defined in section three hundred ten of the executive law, a women-owned business enterprise as defined in section three hundred ten of the executive law, a certified service-disabled veteran-owned business enterprise as defined in section forty of the veterans' services law, or a small business as defined in this section.

3. "Excluded organization" shall mean:

(a) an organization described in subsection four, five or six of section 501(c) of the United States internal revenue code;

(b) a political organization as defined in section 527(e) of the United States internal revenue code;

(c) any organizations that received more than one hundred thousand dollars, in the aggregate, from organizations described in paragraph (a) or (b) of this subdivision;

(d) a publicly-traded company that reported at least one billion dollars in revenue, in the aggregate, during the immediately preceding four quarters; or

(e) an organization that is a subsidiary of, or at least five percent owned by, organizations described in paragraph (d) of this subdivision.

4. "Local news journalist" shall mean any resident of the state of New York who regularly gathers, prepares, produces, collects, edits, photographs, records, directs the recording of, writes, presents, broadcasts, prints, publishes or reports news or information that concerns local or current events of a New York state county, town, village, city, or hamlet, or any combination thereof.

5. "Local newspaper" shall mean a print or digital publication that:

(a) publishes news content that is primarily focused on local or current events of a New York state county, town, village, city, or hamlet, or any combination thereof, otherwise known as such local newspaper's primary coverage area;

(b) employs at least one full-time local news journalist that resides in, or within fifty miles of, the publication's primary coverage area;

(c) publishes and distributes local news content not less frequently than once per week, and has done so continuously for the preceding twelve-month period;

(d) carries valid libel or medial liability insurance; and

(e) for a local newspaper that distributes in only a digital format, (i) earned revenue of at least one hundred thousand dollars in the preceding taxable year and (ii) derives at least thirty-three percent of its audience, averaged over the preceding twelve-month period, from its primary coverage area.

5-a. For the purposes of this section, a print or digital publication shall not be considered a local newspaper or broadcast media business if such publication is:

(a) distributed or made available primarily for advertising or entertainment purposes; or

(b) majority owned by, or derives at least fifty percent of its revenue from, excluded organizations.

6. "Broadcast media business" shall mean any broadcast station which:

(a) owns or operates a broadcast station, as defined by section three of the federal communications act of 1934;

(b) discloses its ownership to the public at such times and in such manner as identified by the commissioner;

(c) broadcasts news content that is primarily focused on local or current events of a New York state county, town, village, city, or hamlet, or any combination thereof, otherwise known as such broadcast media business' primary coverage area;

(d) employs at least one full-time local news journalist that resides in, or within fifty miles of, the broadcast media business' primary coverage area;

(e) broadcasts local news content not less frequently than once per week, and has done so continuously for the preceding twelve-month period;

(f) carries valid libel or media liability insurance; and

(g) for a broadcast media business that distributes in only a digital format: (i) earned revenue of at least one hundred thousand dollars in the preceding taxable year; and (ii) derives at least thirty-three percent of its audience, averaged over the preceding twelve-month period, from its primary coverage area.

6-a. For the purposes of this section, a broadcast station shall not be considered a broadcast media business if such broadcast station is: (a) broadcast primarily for advertising or entertainment purposes; or (b) majority owned by, or derives at least fifty percent of its revenue from, excluded organizations.

7. "Advertising" shall mean providing consideration for the publication, broadcast, dissemination, solicitation, or circulation of visual, aural, spoken, or written communication to directly or indirectly: (a) induce any person or organization to purchase a good, program, product, or service, or to contribute financially to a cause; or (b) raise awareness of a brand, good, program, product, service, or issue.

8."Qualified local media advertising expenses" means amounts paid or incurred in the ordinary course of a trade or business for advertising using a product, service, or other offering that is fully owned and operated by a local newspaper or broadcast media business. For the purposes of this section, advertising distributed in a programmatic fashion in a digital format shall not be considered qualified local media advertising expenses.

9. "Small business" shall mean ten employees or fewer and shall be deemed to be one which is resident in this state, independently owned and operated and not dominant in its field.

§ 512. Application and approval process. 1. An eligible business shall submit a complete application as prescribed by the commissioner.

2. The commissioner shall establish procedures and a timeframe for eligible businesses to submit applications. As part of the application, each eligible business shall:

(a) provide evidence in a form and manner prescribed by the commissioner of their status as an eligible business;

(b) agree to allow the department of taxation and finance to share the eligible business's tax information with the department;

(c) agree to allow the department of labor to share its tax and employer information with the department provided, however, any information shared as a result of this program shall not be available for disclosure or inspection under the state freedom of information law;

(d) allow the department and its agents access to any and all books and records the department may require to monitor compliance; and

(e) agree to provide any additional information required by the department relevant to this article.

3. After reviewing an eligible business's completed final application and determining that such eligible business meets the eligibility crite-

ria as set forth in this article, the department may issue to such eligible business a certificate of tax credit. An eligible business may claim such tax credit.

§ 513. Local newspaper and broadcast media business advertising tax credit. 1. An eligible business that meets the eligibility requirements of this article, and meets any additional eligibility criteria as prescribed by regulations established pursuant to this section, may be eligible to claim a credit equaling eighty percent of such eligible business's expenditures towards qualified local media advertising expenses. Such expenditures towards qualified local media advertising expenses used to calculate such credit shall not exceed five thousand dollars.

2. The total amount of tax credits listed on certificates of tax credit issued by the commissioner pursuant to this article shall not exceed ten million dollars for each year the credit is available per eligible business for the taxable year. Within this amount, six million dollars shall be set aside for minority-owned business enterprises as defined in section three hundred ten of the executive law, women-owned business enterprises as defined in section three hundred ten of the executive law and certified service-disabled veteran-owned business enterprise as defined in section forty of the veterans' services law and four million dollars shall be set aside for small businesses as defined in section five hundred eleven of this article. Allocations may be utilized across the above referenced businesses should either one be under-allocated.

3. The credit shall be allowed as provided in section fifty of the tax law.

§ 514. Powers and duties of the commissioner. 1. The commissioner shall promulgate regulations establishing an application process and eligibility criteria, that will be applied consistent with the purposes of this article, so as not to exceed the annual cap on tax credits set forth in this section which, notwithstanding any provisions to the contrary in the state administrative procedure act, may be adopted on an emergency basis.

2. The commissioner shall, in consultation with the department of taxation and finance, develop a certificate of tax credit that shall be issued by the commissioner to eligible businesses. Such certificate shall contain such information as required by the department of taxation and finance.

3. The commissioner shall solely determine the eligibility of any applicant applying for such tax credit.

§ 3. The tax law is amended by adding a new section 50 to read as follows:

§ 50. Local newspaper and broadcast media business advertising tax credit. (a) Allowance of credit. A taxpayer subject to tax under article nine-A or twenty-two of this chapter shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision (e) of this section. The amount of the credit is equal to the amount determined pursuant to article twenty-eight of the economic development law. A taxpayer that is a partner in a partnership, member of a limited liability company or shareholder in a subchapter S corporation shall be allowed its pro rata share of the credit allowed for the partnership, limited liability company or subchapter S corporation. No cost or expense paid or incurred that is included as part of the calculation of this credit shall be the basis of any other tax credit allowed under this chapter.

(b) Eligibility. To be eligible to claim the local newspaper or broadcast media business advertising tax credit the taxpayer shall have been issued a certificate of tax credit by the department of economic development pursuant to article twenty-eight of the economic development law, which certificate shall set forth the amount of the credit that may be claimed for the taxable year. The taxpayer shall be allowed to claim only the amount listed on the certificate of tax credit for that taxable year.

(c) Tax return requirement. The taxpayer shall be required to attach to its tax return, in the form prescribed by the commissioner, proof of receipt of its certificate of tax credit issued by the commissioner of the department of economic development.

(d) Credit recapture. If a certificate of tax credit issued by the department of economic development under article twenty-eight of the economic development law is revoked by such department, the amount of credit described in this section and claimed by the taxpayer prior to that revocation shall be added back to tax in the taxable year in which any such revocation becomes final.

(e) Cross references. For application of the credit provided in this section see the following provisions of this chapter:

(1) article 9-A: section 210-B, subdivision 63.

(2) article 22: section 606, subsection (uuu).

§ 4. Section 210-B of the tax law is amended by adding a new subdivision 63 to read as follows:

63. Local newspaper and broadcast media business advertising tax credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section fifty of this chapter, against the taxes imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for the taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowable under this subdivision for the taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest will be paid thereon.

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

(uuu) Local newspaper and broadcast media business advertising tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section fifty of this chapter, against the tax imposed by this article.

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

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

(Liii) Local newspaper advertising under subsection (uuu)	**Amount of credit under subdivision sixty-three of section two hundred ten-B**

§ 7. This act shall take effect immediately and shall apply to tax years beginning on or after January 1, 2026 and shall expire January 1, 2030 when upon such date the provisions of this act shall be deemed repealed.