

STATE OF NEW YORK

1865

2025-2026 Regular Sessions

IN SENATE

January 14, 2025

Introduced by Sen. MARTINEZ -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

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:

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

3 § 2. The economic development law is amended by adding a new article
4 28 to read as follows:

ARTICLE 28

LIFT OUR COMMUNITIES ADVERTISE LOCALLY PROGRAM

5
6 Section 500. Short title.

7 501. Definitions.

8 502. Application and approval process.

9 503. Local newspaper and broadcast media business advertising
10 tax credit.

11 504. Powers and duties of the commissioner.

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

14 § 501. Definitions. For the purposes of this article:

15 1. "Certificate of tax credit" shall mean the document issued to an
16 eligible business by the department after the department has verified
17 that such eligible business has met all applicable eligibility criteria
18 under this article. The certificate shall specify the exact amount of
19 the tax credit under this article that an eligible business may claim,
20 pursuant to section five hundred three and section five hundred four of
21 this article.
22

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

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

7 3. "Excluded organization" shall mean:

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

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

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

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

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

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

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

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

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

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

37 5-a. For the purposes of this section, a print or digital publication
38 shall not be considered a local newspaper or broadcast media business if
39 such publication is:

40 (a) distributed or made available primarily for advertising or enter-
41 tainment purposes; or

42 (b) majority owned by, or derives at least fifty percent of its reven-
43 ue from, excluded organizations.

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

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

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

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

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

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

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

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

10 6-a. For the purposes of this section, a broadcast station shall not
11 be considered a broadcast media business if such broadcast station is:
12 (a) broadcast primarily for advertising or entertainment purposes; or
13 (b) majority owned by, or derives at least fifty percent of its revenue
14 from, excluded organizations.

15 7. "Advertising" shall mean providing consideration for the publica-
16 tion, broadcast, dissemination, solicitation, or circulation of visual,
17 aural, spoken, or written communication to directly or indirectly: (a)
18 induce any person or organization to purchase a good, program, product,
19 or service, or to contribute financially to a cause; or (b) raise aware-
20 ness of a brand, good, program, product, service, or issue.

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

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

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

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

36 (a) provide evidence in a form and manner prescribed by the commis-
37 sioner of their status as an eligible business;

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

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

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

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

48 3. After reviewing an eligible business's completed final application
49 and determining that such eligible business meets the eligibility crite-
50 ria as set forth in this article, the department may issue to such
51 eligible business a certificate of tax credit. An eligible business may
52 claim such tax credit.

53 § 503. Local newspaper and broadcast media business advertising tax
54 credit. 1. An eligible business that meets the eligibility requirements
55 of this article, and meets any additional eligibility criteria as
56 prescribed by regulations established pursuant to this section, may be

1 eligible to claim a credit equaling eighty percent of such eligible
2 business's expenditures towards qualified local media advertising
3 expenses. Such expenditures towards qualified local media advertising
4 expenses used to calculate such credit shall not exceed five thousand
5 dollars.

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

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

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

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

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

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

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

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

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

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

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

13 (1) article 9-A: section 210-B, subdivision 61.

14 (2) article 22: section 606, subsection (qqq).

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

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

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

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

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

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

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

48 <u>(lii) Local newspaper advertising</u>	<u>Amount of credit under</u>
49 <u>under subsection (qqq)</u>	<u>subdivision sixty-one of section</u>
	50 <u>two hundred ten-B</u>

51 § 7. This act shall take effect immediately and shall apply to tax
 52 years beginning on or after January 1, 2026 and shall expire January 1,
 53 2030 when upon such date the provisions of this act shall be deemed
 54 repealed.