

# Don't Tax My Credit Union

## Summary and Talking Points

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Credit unions are not-for-profit, member-owned financial cooperatives that exist to serve people, not to maximize profits. Their **federal income tax exemption is critical** to ensuring they can continue fulfilling their mission of putting members first, fostering financial inclusion and strengthening local communities. This exemption is not a loophole — it reflects credit unions' **unique structure** and their reinvestment of earnings back into **member benefits** rather than shareholder profits. If Congress removes this exemption, the impact would be severe: **higher costs for 140 million credit union members**, reduced access to affordable financial services, and diminished support for small businesses and underserved communities.

Unlike banks, credit unions prioritize **financial well-being for all**, offering lower fees, better loan rates and personalized services that help families save and reach their financial goals. The tax exemption isn't just about helping members — **it benefits the entire economy**. Credit unions contribute nearly **\$29 billion annually** in local, state and federal taxes and generate **\$208 billion in economic impact every year**. The **\$2 billion investment Congress makes in the credit union tax exemption** delivers an immense return, funding personal financial support, small-business lending and job creation.

Importantly, credit unions **already pay their fair share** through payroll and property taxes, and members pay personal income tax on dividends received. Removing the exemption wouldn't just harm credit unions — it would **disrupt local economies and reduce competition in financial services**, ultimately **hurting all consumers**, including non-members, who benefit from credit unions' presence in local markets.

The "**Don't Tax My Credit Union**" initiative is about protecting **the financial future of millions of Americans**. Credit unions are a steady, consumer-friendly alternative to traditional banks, and preserving their tax status ensures that they can continue to support their communities, promote financial stability and provide real economic value across the country.

## Talking Points

- **Credit Unions Exist to Serve, Not to Profit**
  - Unlike banks, credit unions are member-owned, not-for-profit cooperatives reinvest earnings into better financial offerings and community services.
  - Tax exemption ensures credit unions put people first, not shareholders.
- **The Credit Union Tax Exemption Drives Economic Growth**
  - **\$208 billion** in economic impact annually.
  - Credit unions save consumers **\$35 billion** each year by offering better financial offerings.
- **Credit Unions Already Pay Their Fair Share**
  - Pay payroll, property and other taxes.
  - Members pay personal income tax on dividends received.
- **Banks Looking for Competitive Edge**
  - Banks want credit unions taxed **to eliminate competition**, not to improve the economy.
  - Despite **servicing 43% of Americans**, credit unions **hold only 8.8% of financial institution assets** while banks control over 90%.
- **Removing the Tax Exemption Would Harm Communities**
  - **Higher costs for 140 million credit union members.**
  - Reduced access to **affordable loans, savings options, and financial guidance.**
  - Less **small-business lending and job creation.**
- **Why this Matters to Every American**
  - Credit unions are a **steady, reliable, consumer-friendly alternative** in the financial market.
  - A one-time **\$2 billion tax revenue gain** for Congress would **cost the economy far more** in lost financial benefits.
- **Take Action: Protect Credit Unions**
  - Support the **“Don’t Tax My Credit Union”** campaign.
  - Advocate for **financial inclusion and local economic stability.**