



Pennsylvania Credit Unions: The Real Story

Tax-paying Pennsylvania banks compete head to head with tax-exempt credit unions. Although they portray themselves as mom and pop shops for people of modest means, today credit unions are a \$2.3 trillion industry, with many indistinguishable from banks. The BIG difference—they don't pay federal income taxes, depriving the U.S. Treasury of nearly \$3.25 billion every year.

Who Pays the Taxes?

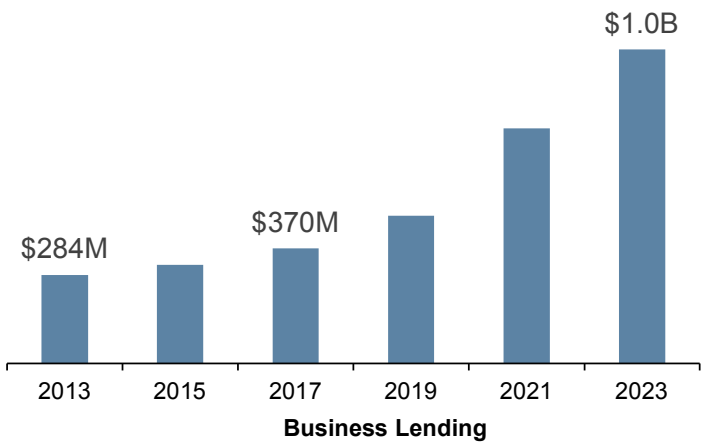
Taxes Paid in 2023	
PA Credit Unions	PA Banks*
\$0	\$1,909,906,000

*Includes all applicable federal, state and local, and foreign income taxes

Members 1st Federal Credit Union would have paid **\$29.1 million** in taxes during 2023, had it paid its fair share.

Indistinguishable from Banks

Members 1st Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of **14%** since 2013.



Larger than Most Pennsylvania Banks

Police and Fire Federal Credit Union, with **\$8.8 billion in assets**, is the largest credit union in Pennsylvania, **larger than 98%** of Pennsylvania headquartered banks.

Large Credit Union Auto Lenders

All of the top five Pennsylvania headquartered auto lenders are credit unions.

Institution	Auto Loans (\$000)
American Heritage Federal CU	1,076,703
Members 1st Federal CU	839,406
Citadel Federal CU	356,496
Philadelphia Federal CU	216,003
First Commonwealth Federal CU	203,484

Pennsylvania Credit Unions Leverage Their Tax Exemption to Grow Deposits

Pennsylvania credit unions grew deposits at an annualized rate of **7.67%** since 2013.

