



South Dakota Credit Unions: The Real Story

Tax-paying South Dakota 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?

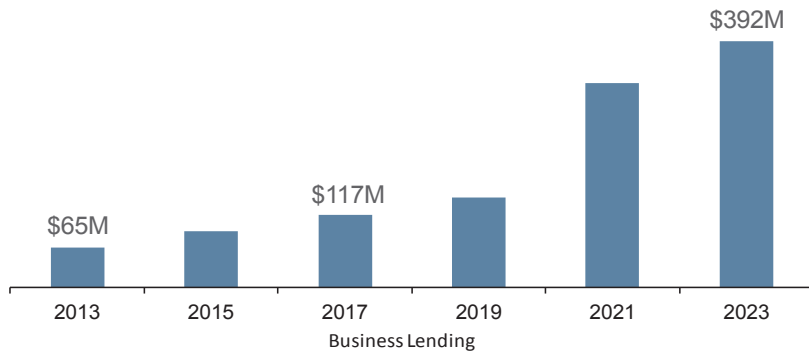
| Taxes Paid in 2023 | |
|-------------------------|------------------|
| <u>SD Credit Unions</u> | <u>SD Banks*</u> |
| \$0 | \$4,094,419,000 |

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

Black Hills Federal Credit Union would have paid \$3.3 million in taxes during 2023, had it paid its fair share.

Indistinguishable from Banks

Black Hills Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of **20%** since 2013.

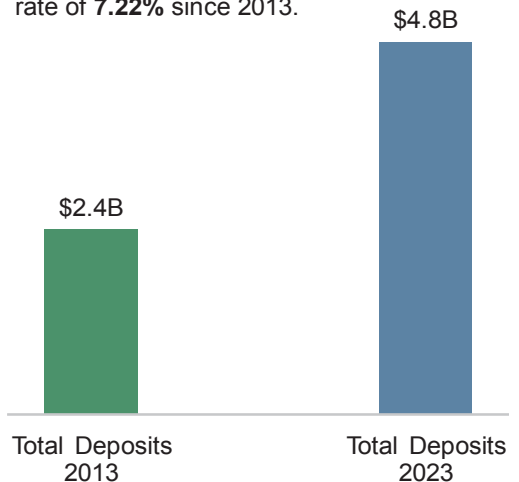


Larger than South Dakota Banks

Black Hills Federal Credit Union, with **\$2.3 billion in assets**, is the largest credit union in South Dakota, **larger than 92%** of South Dakota-headquartered banks.

South Dakota Credit Unions Leverage Their Tax Exemption to Grow Deposits

South Dakota credit unions grew deposits at an annualized rate of **7.22%** since 2013.



Large Credit Union Auto Lenders

All of the top five South Dakota-headquartered auto lenders are credit unions.

| Institution | Auto Loans (\$000) |
|----------------------------------|--------------------|
| Black Hills Federal Credit Union | 376,135 |
| Sentinel Federal Credit Union | 56,838 |
| Dakotaland Federal Credit Union | 52,459 |
| Highmark Federal Credit Union | 39,230 |
| Levo Federal Credit Union | 23,523 |