

California Credit Unions: The Real Story

Tax-paying California 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 \$1 trillion industry, with many indistinguishable from banks. The BIG difference—they don't pay federal income taxes, depriving the U.S. Treasury of nearly \$2 billion every year.

Who Pays the Taxes?

Taxes Paid in 2014

CA Credit Unions

\$0

CA Banks*

\$2,809,335,000

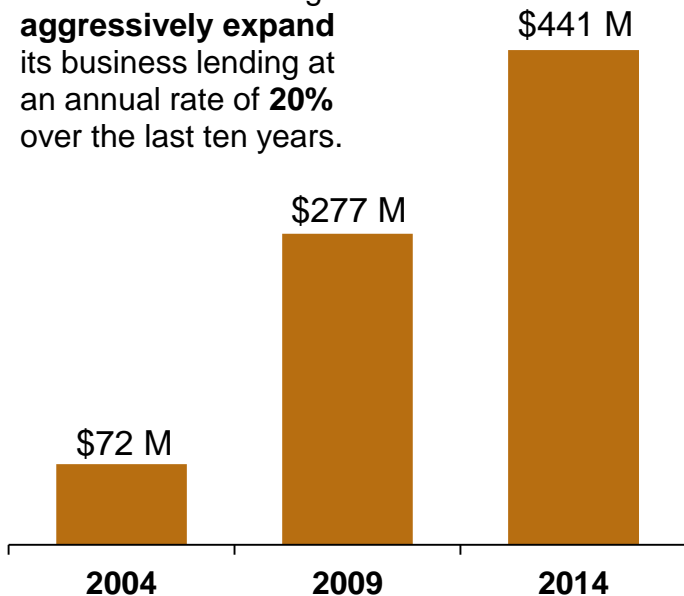
*Includes all applicable federal, state and local, and foreign income taxes

SchoolsFirst Federal Credit Union would have paid **\$30.4 million in taxes** during 2014, had it paid its fair share.

Indistinguishable from Banks

Larger than Most California Banks

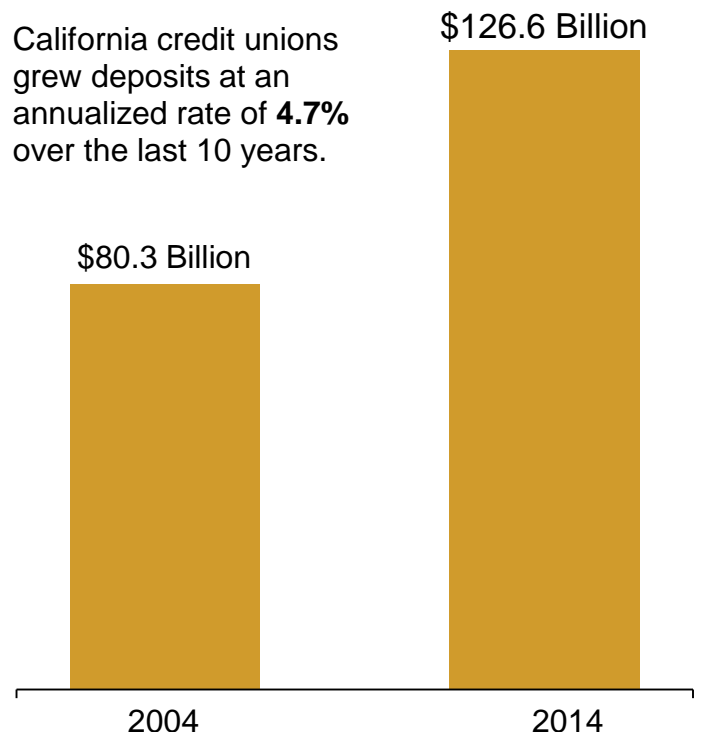
Standford Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of **20%** over the last ten years.



SchoolsFirst Federal Credit Union with **\$10.7 billion in assets** is the largest credit union in California, **larger than 94%** of the California-headquartered banks.

California Credit Unions Leverage Their Tax Exemption to Grow Deposits

California credit unions grew deposits at an annualized rate of **4.7%** over the last 10 years.



Large Credit Union Deposits

Star One Credit Union is the **second largest** California-headquartered depository institution in its market.

Institution	Deposits (\$000)
Silicon Valley Bank	22,386,093
Star One Credit Union	4,687,050
Union Bank, NA	2,808,753
Bank of the West	2,621,012
First Republic Bank	2,432,445
Bridge Bank, NA	1,442,892