

# Kentucky Credit Unions: The Real Story

Tax-paying Kentucky 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 2024

#### KY Credit Unions

\$0

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

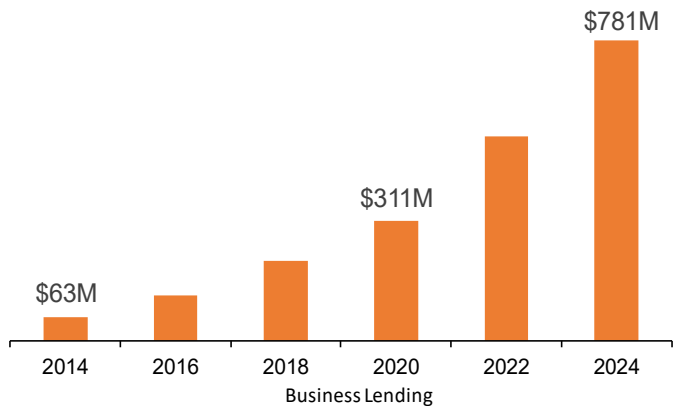
#### KY Banks

\$181,059,000

Abound Federal Credit Union would have paid **\$6.7 million** in taxes during 2024, had it paid its fair share.

## Indistinguishable from Banks

L&N Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of 29% since 2014.

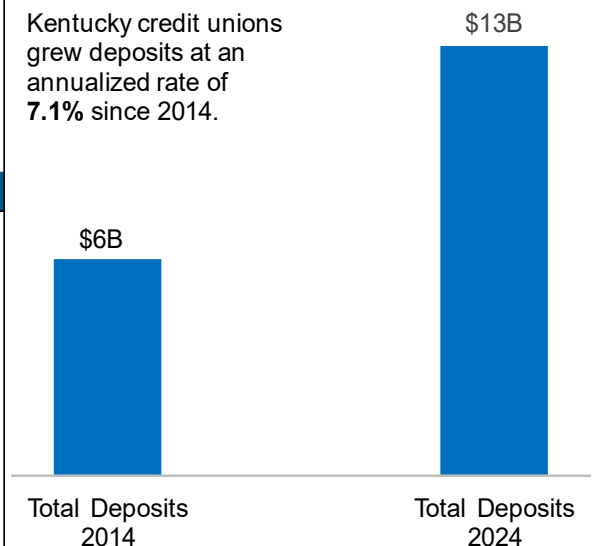


## Larger than Kentucky Banks

Commonwealth Federal Credit Union with \$9.8 billion in assets, is the largest credit union in Kentucky, larger than 96% of Kentucky headquartered banks.

### Kentucky Credit Unions Leverage Their Tax Exemption to Grow Deposits

Kentucky credit unions grew deposits at an annualized rate of **7.1%** since 2014.



## Large Credit Union Auto Lenders

Four of the top five Kentucky-headquartered auto lenders are credit unions.

Institution	Auto Loans (\$000)
Community Trust Bank, Inc.	746,518
Abound Federal Credit Union	742,150
Commonwealth Federal Credit Union	549,758
University of Kentucky Federal Credit Union	497,146
Transcend Credit Union	256,888