



# Hawaii Credit Unions: The Real Story

Tax-paying Hawaii 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 \$2.2 trillion industry, with many indistinguishable from banks. The BIG difference—they don't pay federal income taxes, depriving the U.S. Treasury of nearly \$3.1 billion every year.

## Who Pays the Taxes?

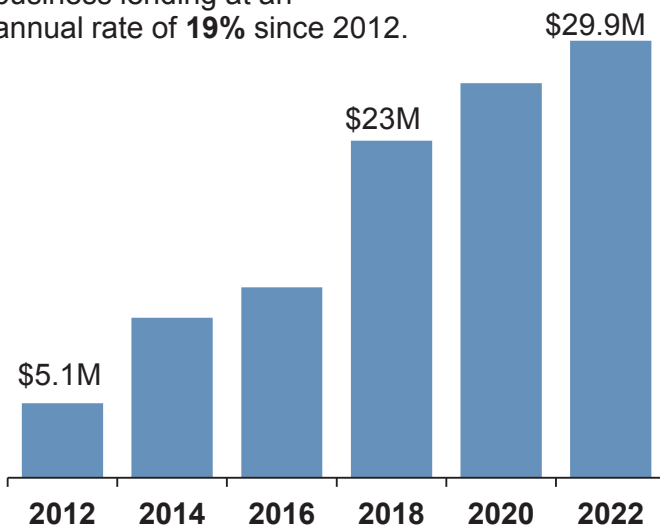
| Taxes Paid in 2022 |               |
|--------------------|---------------|
| HI Credit Unions   | HI Banks*     |
| \$0                | \$681,514,000 |

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

HawaiiUSA Federal Credit Union would have paid \$4.5 million in taxes during 2022, had it paid its fair share.

## Aggressive Business Lending

CU Hawaii Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of **19%** since 2012.

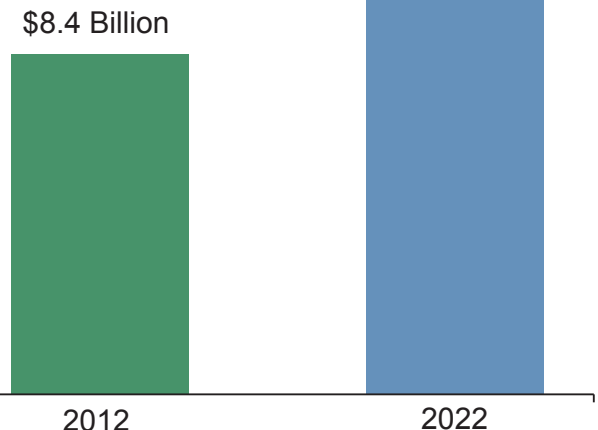


## Larger than Many Hawaii Banks

HawaiiUSA Federal Credit Union, with **\$2.3 billion in assets**, is the largest credit union in Hawaii, **larger than 43%** of all tax-paying banks in Hawaii.

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

Hawaii credit unions grew deposits at an annualized rate of **4.8%** since 2012.



## Indistinguishable from Banks

Hawaii State FCU is the **fifth largest** depository institution in its market.

| Institution             | Deposits         |
|-------------------------|------------------|
| First Hawaiian Bank     | 21,707,053       |
| Bank of Hawaii          | 20,634,843       |
| American Savings Bank   | 8,224,461        |
| Central Pacific Bank    | 6,753,138        |
| <b>Hawaii State FCU</b> | <b>2,094,219</b> |