

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 \$2.4 trillion industry, with many indistinguishable from banks. The BIG difference—they don't pay federal income taxes, depriving the U.S. Treasury of nearly \$3.95 billion every year.

Who Pays the Taxes?

Taxes Paid in 2025

CA Credit Unions

\$0

CA Banks

\$2,203,497,000

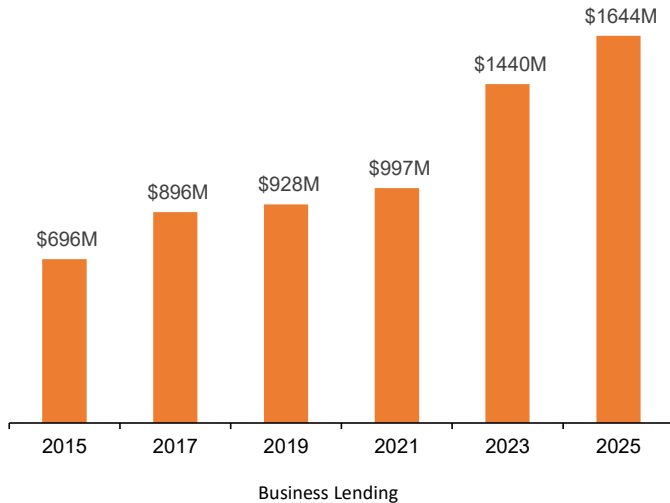
*Includes all applicable federal, state and local, and foreign income taxes

SchoolsFirst Federal Credit Union

would have paid **\$50.8 million** in taxes during 2025, had it paid its fair share.

Indistinguishable from Banks

Digital Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of 9% since 2015.

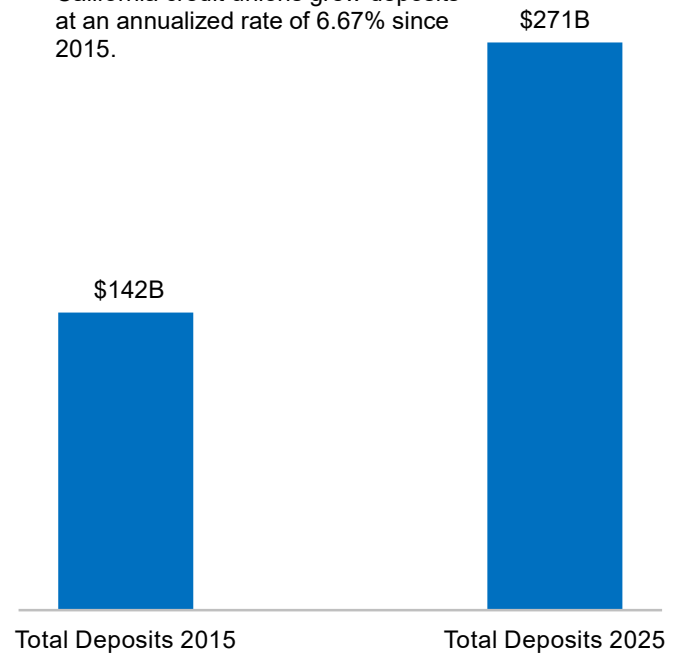


Larger than California Banks

SchoolsFirst Federal Credit Union, with \$35.4 billion in assets, is the largest credit union in California, larger than 98% of California headquartered banks.

California Credit Unions Leverage Their Tax Exemption to Grow Deposits

California credit unions grew deposits at an annualized rate of 6.67% since 2015.



Large Credit Union Auto Lenders

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

Institution	Auto Loans (\$000)
SchoolsFirst Federal Credit Union	5,870,054
The Golden 1 Credit Union	4,543,534
First Technology Federal Credit Union	3,335,812
Redwood Credit Union	2,218,223
Patelco Credit Union	1,749,895