

Pennsylvania Credit Unions: The Real Story

Tax-paying Pennsylvania 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

PA Credit Unions

\$0

PA Banks

\$890,283,000

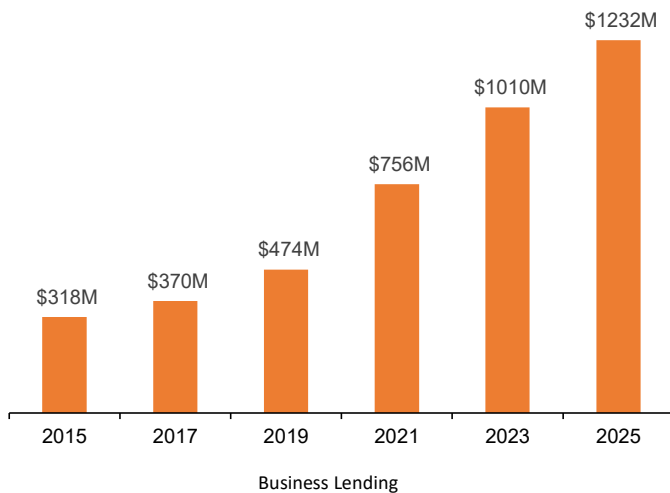
*Includes all applicable federal, state and local, and foreign income taxes

Police and Fire Federal Credit Union

would have paid **\$38.8 million** in taxes during 2025, had it paid its fair share.

Indistinguishable from Banks

Members 1st Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of 15% since 2015.

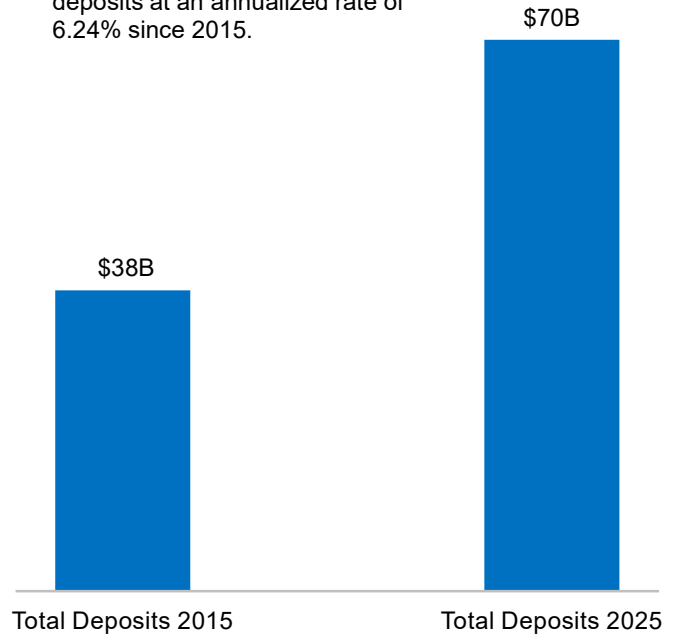


Larger than Pennsylvania Banks

Police and Fire Federal Credit Union, with \$10 billion in assets, is the largest credit union in Pennsylvania, larger than 93% of Pennsylvania headquartered banks.

Pennsylvania Credit Unions Leverage Their Tax Exemption to Grow Deposits

Pennsylvania credit unions grew deposits at an annualized rate of 6.24% since 2015.



Large Credit Union Auto Lenders

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

Institution	Auto Loans (\$000)
Members 1st Federal Credit Union	2,939,637
Pennsylvania State Employees CU	2,670,960
Citadel Federal Credit Union	1,540,433
Police and Fire Federal Credit Union	1,307,666