

# Arkansas Credit Unions: The Real Story

Tax-paying Arkansas 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

#### AR Credit Unions

\$0

#### AR Banks

\$391,802,000

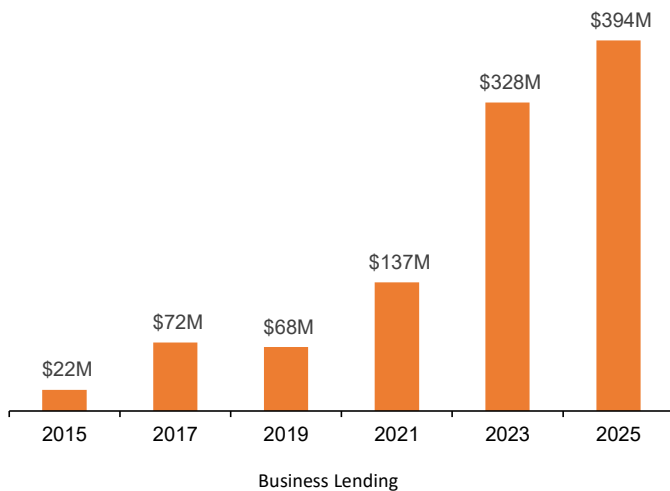
\*Includes all applicable federal, state and local, and foreign income taxes

#### Arkansas Federal Credit Union

would have paid \$7.2 million in taxes during 2025, had it paid its fair share.

## Indistinguishable from Banks

Arkansas Federal Credit Union used its tax advantage to aggressively expand its business lending at an annual rate of 33% since 2015.

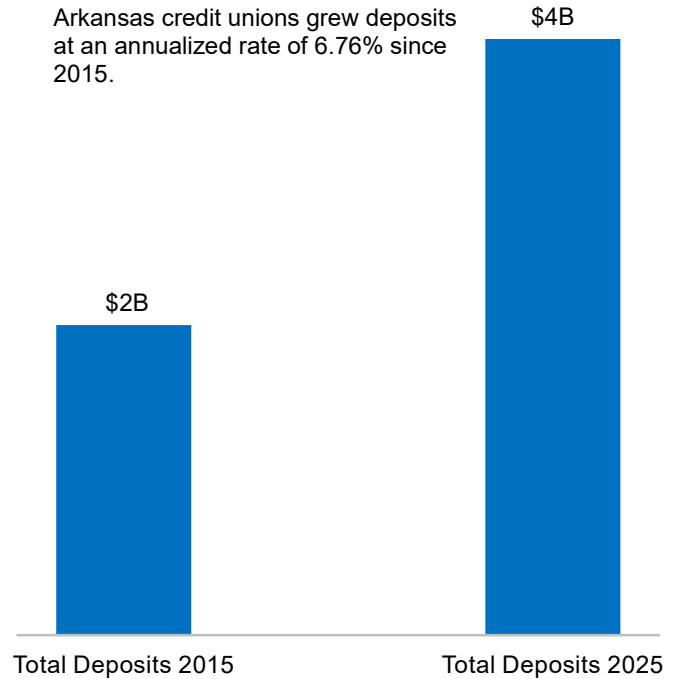


## Larger than Arkansas Banks

Arkansas Federal Credit Union, with \$3 billion in assets, is the largest credit union in Arkansas, larger than 90% of Arkansas headquartered banks.

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

Arkansas credit unions grew deposits at an annualized rate of 6.76% since 2015.



## Large Credit Union Auto Lenders

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

Institution	Auto Loans (\$000)
Arkansas Federal Credit Union	1,228,441
Success Federal Credit Union	61,406
Mil-Way Federal Credit Union	48,593
Telcoe Federal Credit Union	42,331