

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

\$0

HI Banks*

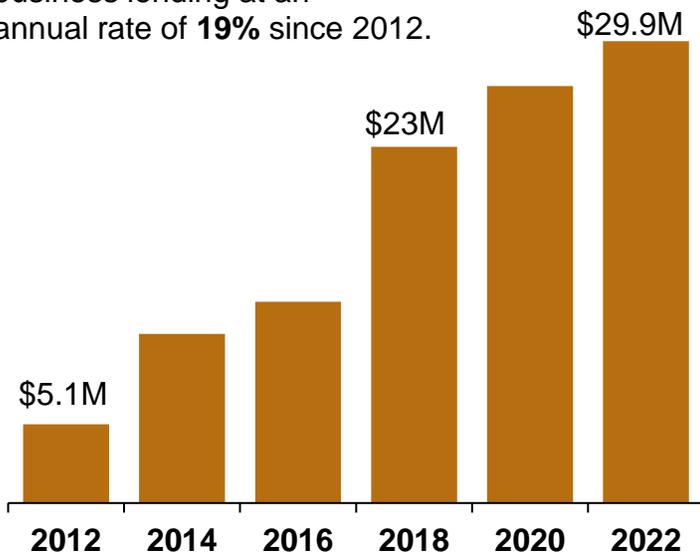
\$681,514,000

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

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

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.

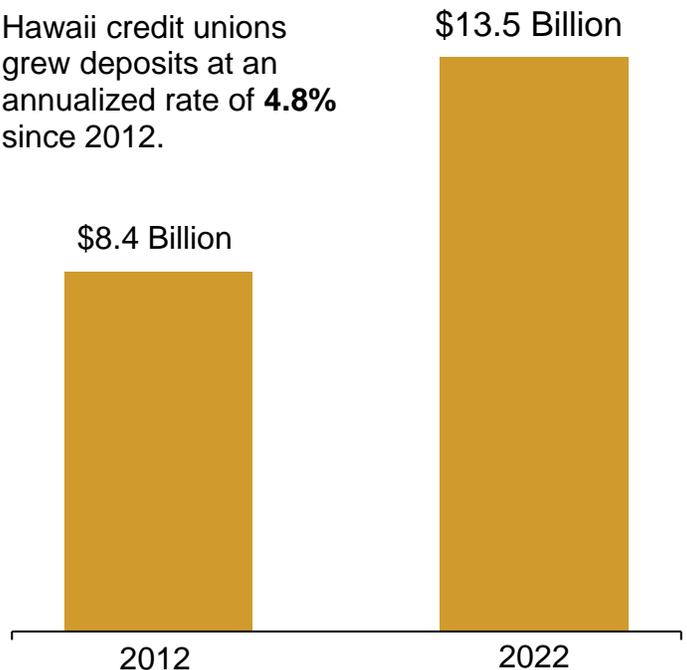


Larger than Many Hawaii Banks

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 |
| Hawaii State FCU | 2,094,219 |