

# South Dakota Credit Unions: The Real Story

Tax-paying South Dakota 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

#### SD Credit Unions

\$0

#### SD Banks

\$11,289,154,000

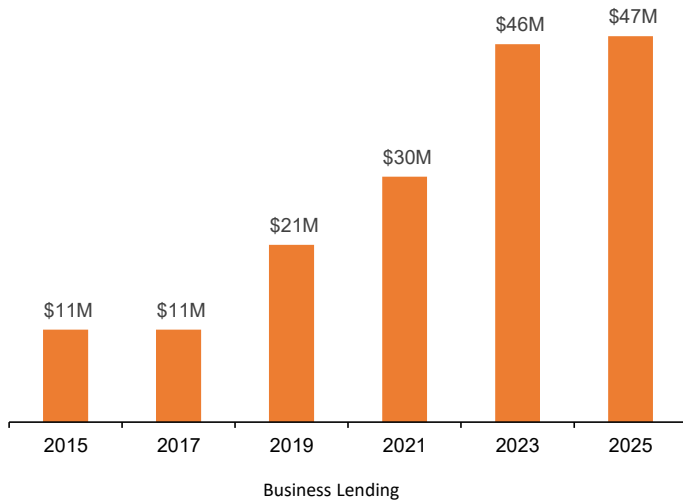
\*Includes all applicable federal, state and local, and foreign income taxes

#### Black Hills Federal Credit Union

would have paid **\$2.3 million** in taxes during 2025, had it paid its fair share.

## Indistinguishable from Banks

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

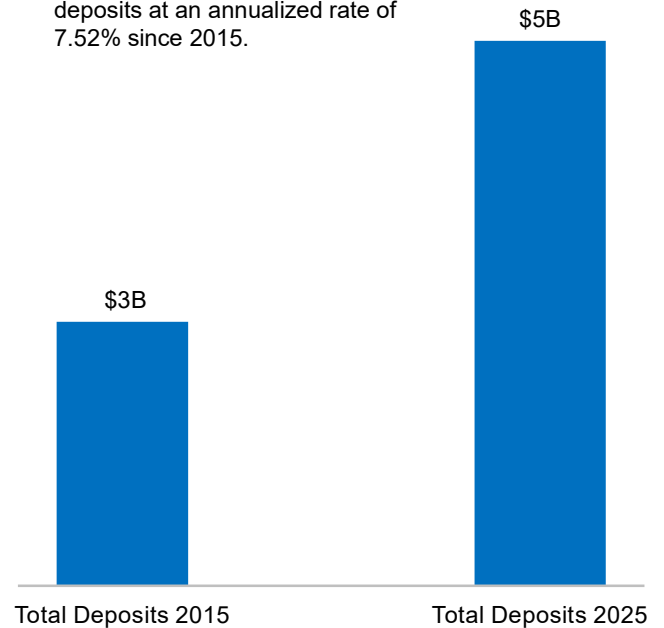


## Larger than South Dakota Banks

Black Hills Federal Credit Union, with \$2.3 billion in assets, is the largest credit union in South Dakota, larger than 84% of South Dakota headquartered banks.

## South Dakota Credit Unions Leverage Their Tax Exemption to Grow Deposits

South Dakota credit unions grew deposits at an annualized rate of 7.52% since 2015.



## Large Credit Union Auto Lenders

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

Institution	Auto Loans (\$000)
Black Hills Federal Credit Union	433,086
Levo Federal Credit Union	110,625
Dakotaland Federal Credit Union	108,868
Area Federal Credit Union	94,800