Protect the Credit Union Tax Status

Credit unions are member-owned, democratically operated, not-for-profit cooperatives, generally managed by a volunteer board of directors, with a specified mission of promoting thrift and providing access to credit for provident purposes. **Structure and mission has been the basis for the tax status for 100 years.**

Credit unions DO pay taxes: real property taxes, tangible personal property taxes (referred to as "ad valorem" taxes in some states) and payroll taxes. State chartered credit unions pay unrelated business income tax. In addition, all credit union members pay taxes on dividends (interest) that their accounts earn.

Credit unions are participants in a competitive financial services marketplace. The removal of the tax status would eliminate credit unions and consumer choice, making access to mainstream financial services more expensive and less available for American consumers and small businesses.

During and following the financial crisis, Americans saw credit unions as a safe haven in the financial services sector. Credit unions continued to lend to consumers, homebuyers and small businesses when other lenders were unable or unwilling to do so.

DON'T TAX my CREDIT UNION™

The credit union tax status saves credit union members and nonmembers $10 billion each year. Congress should retain the credit union tax status in comprehensive tax reform legislation.