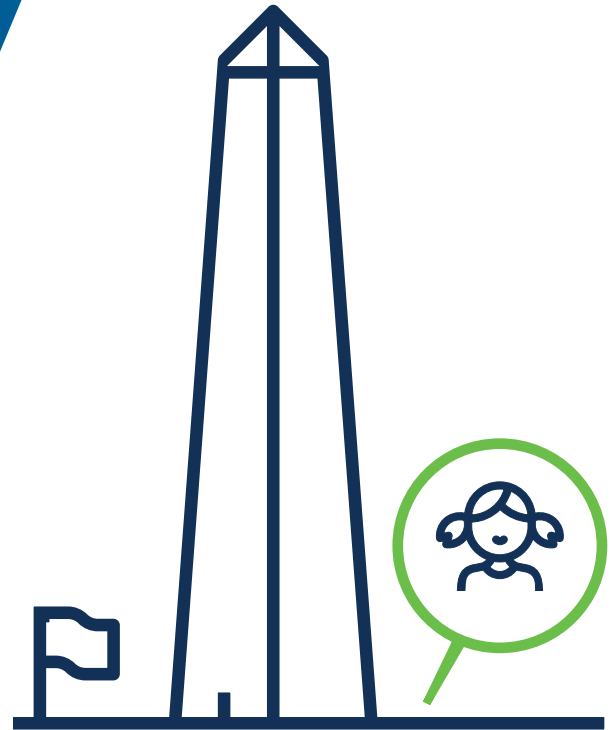




National Association of
Federally-Insured Credit Unions

CREDIT UNION TAX EXEMPTION IMPACT STUDY



The CU tax exemption is justified and extremely small

- › CUs warrant a federal income tax exemption due to their cooperative structure and mutual purpose
- › The outlay for the CU tax exemption was less than 0.1% of the 2020 budget deficit. If the total deficit were the height of the Washington Monument, the CU tax exemption would be the size of an average kindergartener.



The CU industry provides enormous benefits to everyday Americans

- › CUs pass along the value of their tax exemption to 125 million members through lower rates and fees, and superior service.
- › Even nonmembers benefit due to the competitive influence of CUs on other financial institutions.
- › NAFCU's 2021 study finds that the CU tax exemption benefits households to the tune of \$15 billion per year.

Loss of the exemption would harm both the US economy and federal tax revenues

- › If the tax exemption were revoked, it would cost the economy nearly 80,000 jobs per year.
- › It would also cost the federal government \$5.6 billion annually in total tax revenues, which is more than double the outlay for the exemption.

