

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 \$2.2 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?

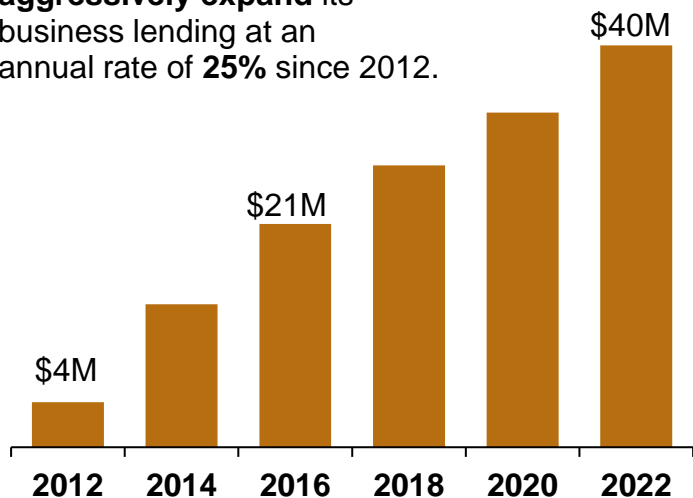
Taxes Paid in 2022	
<u>SD Credit Unions</u>	<u>SD Banks*</u>
\$0	\$9,577,658,000

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

Black Hills Federal Credit Union would have paid **\$4.3 million in taxes** during 2022, had it paid its fair share.

Indistinguishable from Banks

Highmark Federal Credit Union used its tax advantage to **aggressively expand** its business lending at an annual rate of **25%** since 2012.

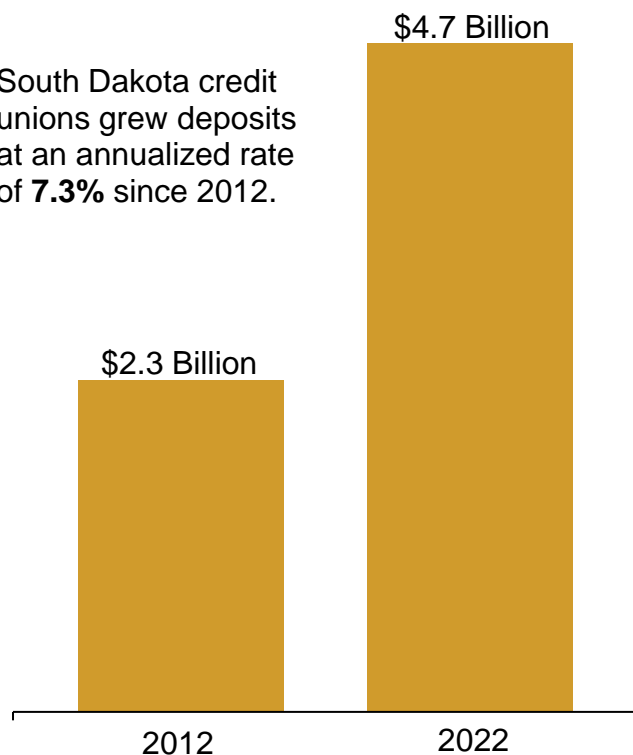


Larger than Most South Dakota Banks

Black Hills Federal Credit Union, with **\$2.2 billion in assets**, is the largest credit union in South Dakota, **larger than 88%** of all 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 **7.3%** since 2012.



Large Credit Union Lending

Six of the top eight auto lenders in South Dakota are credit unions.

Institution	Auto Loans (\$000)
Wells Fargo Bank	53,669,000
Black Hills FCU	348,047
Service First FCU	106,639
Dakotaland FCU	104,657
Levo FCU	103,226
First Premier Bank	78,612
Area FCU	77,446
Voyage FCU	73,805