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June 9, 2010

Editor  
The Wall Street Journal  
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5th Floor  
New York, NY 10036-8706

Dear Editor:

Not all banks are alike. Not by a long shot. Jane J. Kim's article, "Credit Unions: A Better Bet Than Banks" (June 5, 2010), may be misleading readers into believing that the nearly 8,000 community banks in this country are no different than the Wall Street megabanks. That's just not true.

Like credit unions, many community banks offer lower fees than the larger banks. And, community banks pride themselves on offering the kind of personal attention and personal service you can only get from someone who lives and works in your community. When it comes to choosing between a credit union and a community bank, however, there is a distinction with a very big difference. The difference is this: credit unions don't pay taxes. In fact, a study conducted by the non-partisan and non-aligned Tax Foundation found that the credit unions' tax subsidy is contributing to the national debt by more than \$30 billion over ten years.

During this time of skyrocketing deficits, you simply cannot overlook this fact—especially when we face serious domestic issues, all of which will have to be paid for. For the nation's more than 7,000 credit unions to not pay taxes suggests that they are part of the problem. It's clear that the credit unions' tax-exempt status is no longer justified especially during these tough economic times. After all, why should hardworking American taxpayers be forced to foot the bill while credit unions have the luxury of earning billions without paying taxes? The time has come for credit unions to step up and pay their fair share. Only then will they be part of the solution.

In the meantime, consumers can make their voices heard by putting their money where it truly counts—in their local community bank where it is reinvested directly into the community—taxes and all.

To find a community bank near you, visit ICBA's [Community Bank Locator](http://www.icba.org/consumer/BankLocator.cfm?sn.ItemNumber=51757), (<http://www.icba.org/consumer/BankLocator.cfm?sn.ItemNumber=51757>). And to learn more about community banks, go to [www.ICBA.org](http://www.ICBA.org).

Sincerely,

Jim MacPhee  
ICBA Chairman  
CEO, Kalamazoo County State Bank, Schoolcraft, Mich.