

The Cost of the Large Credit Union Tax Exemption

Large Credit Unions (Assets >\$1B)

In 2025, if large Kentucky credit unions were taxed at the same rate as community banks, they **would have paid** a total of:

\$6,014,041	in state income taxes +
\$23,996,025	in federal income taxes =
\$30,010,066	in total income taxes

If large credit unions paid their fair share, total taxes could cover:

Funding the annual cost of education for an additional 2,056 Kentucky K-12 students.
Funding full Medicaid coverage for an additional 2,113 low-income Kentucky adults.
Funding full Medicaid coverage for an additional 5,331 low-income <<State>> children.
An additional 358 <<State>> registered nurses.
An additional 733 Kentucky firefighters.
An additional 505 Kentucky police officers.
An additional 524 Kentucky Kindergarten teachers.
An additional 515 Kentucky public school teachers.

The Value of Community Bank Taxes

Community Banks

In 2025, Kentucky community banks were taxed and **paid** a total of:

\$52,627,772	in state income taxes +
\$209,984,812	in federal income taxes =
\$262,612,584	in total income taxes

These tax contributions are equivalent to:

Covering the annual cost of education for 17,992 Kentucky K-12 students.
Funding full Medicaid coverage for 18,493 low-income Kentucky adults.
Funding full Medicaid coverage for 46,654 low-income Kentucky children.
Covering the salaries of 3,130 Kentucky registered nurses.
Covering the salaries of 6,411 Kentucky firefighters.
Covering the salaries of 4,417 Kentucky police officers.
Covering the salaries of 4,583 Kentucky kindergarten teachers.
Covering the salaries of 4,503 Kentucky public school teachers.

Sources: FFIEC 2025 Q4 Call Reports, NCUA 2025 Q4 Call Reports, FDIC Statement of Deposits Reports, Tax Foundation, Kaiser Family Foundation, Medicaid.gov, Bureau of Labor Statistics, National Center for Education Statistics, National Education Association, Education Data Initiative.