

The Cost of the Large Credit Union Tax Exemption

Large Credit Unions (Assets >\$1B)

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

\$16,982,778	in state income taxes +
\$51,301,053	in federal income taxes =
\$68,283,831	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 5,022 Alabama K-12 students.
Funding full Medicaid coverage for an additional 6,528 low-income Alabama adults.
Funding full Medicaid coverage for an additional 23,976 low-income <<State>> children.
An additional 911 <<State>> registered nurses.
An additional 1,376 Alabama firefighters.
An additional 1,234 Alabama police officers.
An additional 1,352 Alabama Kindergarten teachers.
An additional 1,103 Alabama public school teachers.

The Value of Community Bank Taxes

Community Banks

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

\$53,426,257	in state income taxes +
\$161,388,393	in federal income taxes =
\$214,814,650	in total income taxes

These tax contributions are equivalent to:

Covering the annual cost of education for 15,798 Alabama K-12 students.
Funding full Medicaid coverage for 20,537 low-income Alabama adults.
Funding full Medicaid coverage for 75,426 low-income Alabama children.
Covering the salaries of 2,865 Alabama registered nurses.
Covering the salaries of 4,327 Alabama firefighters.
Covering the salaries of 3,882 Alabama police officers.
Covering the salaries of 4,255 Alabama kindergarten teachers.
Covering the salaries of 3,470 Alabama 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.