

The Cost of the Large Credit Union Tax Exemption

Large Credit Unions (Assets >\$1B)

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

\$5,235,046	in state income taxes +
\$16,078,134	in federal income taxes =
\$21,313,179	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 893 Hawaii K-12 students.
Funding full Medicaid coverage for an additional 2,611 low-income Hawaii adults.
Funding full Medicaid coverage for an additional 7,011 low-income <<State>> children.
An additional 172 <<State>> registered nurses.
An additional 334 Hawaii firefighters.
An additional 232 Hawaii police officers.
An additional 349 Hawaii Kindergarten teachers.
An additional 287 Hawaii public school teachers.

The Value of Community Bank Taxes

Community Banks

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

\$35,715,178	in state income taxes +
\$109,690,241	in federal income taxes =
\$145,405,420	in total income taxes

These tax contributions are equivalent to:

Covering the annual cost of education for 6,090 Hawaii K-12 students.
Funding full Medicaid coverage for 17,810 low-income Hawaii adults.
Funding full Medicaid coverage for 47,831 low-income Hawaii children.
Covering the salaries of 1,175 Hawaii registered nurses.
Covering the salaries of 2,276 Hawaii firefighters.
Covering the salaries of 1,580 Hawaii police officers.
Covering the salaries of 2,383 Hawaii kindergarten teachers.
Covering the salaries of 1,959 Hawaii 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.