

# Consumers choose Rhode Island credit unions as their best financial partner

As not-for-profit, member-owned financial institutions, credit unions know and work for their members, not bank shareholders.

Consumers are 1.5x more likely to report feeling their credit union cares about their financial well-being compared to for-profit financial institutions. That's why America's member-owned, democratically-controlled credit unions remain an extremely popular financial alternative for more than 130 million people.

## Rhode Island credit unions APPROVED

# 64.0%

of total mortgage applications from low/moderate income borrowers.

## Responding through local ownership and control

Subchapter S status allows many for-profit banks to enjoy a similar tax advantage to credit unions. However, while credit unions pass this saving to average consumers through features like lower fees and higher savings yields, Subchapter S banks pass the value of their tax advantage through to their shareholders.

### Nationally:

1542 Subchapter S banking institutions account for \$689.5 billion in assets

## U.S. Federal Revenue Losses due to Bank Subchapter S Election

# \$19.1 BILLION

since 1997

Source: CUNA Estimates & FDIC

## Rhode Island credit unions deliver big financial benefits

\$1.0M higher yields on savings

\$5.1M lower fees

\$21.0M lower loan rates

\$10.6M savings to non-members

Rhode Island credit unions provide

**\$27.1M** in annual financial benefit.

If Rhode Island banks were structured like credit unions, the \$10.5 billion they paid in shareholder dividends over the past decade would have instead been paid to small depositors.

## Serving America's tax payers

Taxing credit unions is a direct additional tax on consumers-owners who already bear substantial income tax burdens.

# 485,241

Rhode Island credit union members paid an estimated \$6.6 Billion in state and federal income taxes in the most recent federal tax year.

If credit unions were taxed, the revenue would only account for 0.04% of federal spending, funding federal government operations for **ONLY 3.7 hours**.