



Florida Bankers Association 2019 National Survey Research Summary

OVERVIEW

A national survey was recently commissioned by the Florida Bankers Association and conducted online by The Harris Poll to gauge public opinion on credit unions' tax exemption status. The survey polled more than 2,000 U.S. adults age 18 and older, of which more than 1,600 are registered voters. The following results were obtained from The Harris Poll and the data was analyzed by SalterMitchell PR. Please refer to the last page for Research Methodology.

RESEARCH FINDINGS

Question 1

Please indicate whether you believe the following statement about credit unions (i.e., a type of financial institution that has similar offerings as a bank) is true or false:

“All credit unions are exempt (i.e., excused) from paying state and federal income taxes.”

- **18% of Americans selected true**
- 82% of Americans selected false/not sure (net)
 - 37% of Americans selected false
 - 45% of Americans selected not at all sure

Question 2

85 years ago, Congress established credit unions to provide financial services to lower-income people with a common bond (i.e., live in the same community). To help support this, Congress exempted (i.e., excused) credit unions from paying federal and state income taxes. Today, there are small/local credit unions (under \$500 million in total assets) and mega credit unions (with \$500 million or more in total assets) which make up the \$1.53 trillion industry. Credit unions now serve a wide variety of people, including high-income, and offer many of the same financial products and services as tax-paying banks.

Some feel that the credit union tax exemption is good because it allows credit unions to extend financial benefits to members, such as offering higher interest rates on deposit accounts than traditional banks. Others say that the credit union tax exemption is bad because today's credit unions have expanded their financial services beyond their original purpose, which was why they were not required to pay taxes in the first place.



How fair or unfair do you think it is that mega credit unions (with \$500 million or more in total assets) do not have to pay state and federal income taxes?

- **68% of Americans selected very/somewhat unfair**
 - **Unfair: 67% Republican, 68% Democrat, 69% Independent**
- 32% of Americans selected very/somewhat fair

Question 3

How fair or unfair do you think it is that mega credit unions (with \$500 million or more in total assets) receive the same income tax exemption as other types of not-for-profit organizations?

- **69% of Americans selected very/somewhat unfair**
 - **Unfair: 67% Republican, 67% Democrat, 74% Independent**
- 31% of Americans selected very/somewhat fair

Question 4

How much would you support or oppose Congress now requiring mega credit unions (with \$500 million or more in total assets) to pay federal and state income taxes?

- **70% of Americans selected strongly/somewhat support**
 - **Support: 71% Republican, 71% Democrat, 70% Independent**
- 30% of Americans selected strongly/somewhat oppose

Question 5

How much do you agree or disagree with each of the following statements?

“Local banks are an important part of my community.”

- **84% of Americans selected strongly/somewhat agree**
 - **Agree: 88% Republican, 84% Democrat, 83% Independent**
- 16% of Americans selected strongly/somewhat disagree

“There should be strict regulations in place on how profits of financial institutions that do not pay federal and state income taxes can be used.”

- **80% of Americans selected strongly/somewhat agree**
 - **Agree: 81% Republican, 80% Democrat, 79% Independent**
- 20% of Americans selected strongly/somewhat disagree



“All financial institutions, regardless of type, with \$500 million or more in total assets should have to pay federal and state income taxes.”

- **76% of Americans selected strongly/somewhat agree**
 - **Agree: 75% Republican, 77% Democrat, 75% Independent**
- 24% of Americans selected strongly/somewhat disagree

“If mega credit unions were required to pay federal and state income taxes it would level the playing field for local community banks.”

- **75% of Americans selected strongly/somewhat agree**
 - **Agree: 79% Republican, 75% Democrat, 74% Independent**
- 25% of Americans selected strongly/somewhat disagree

“Mega credit unions that don’t pay federal and state income taxes should not be allowed to buy out local community banks who do pay federal and state income taxes.”

- **75% of Americans selected strongly/somewhat agree**
 - **Agree: 76% Republican, 76% Democrat, 75% Independent**
- 25% of Americans selected strongly/somewhat disagree

RESEARCH METHOD

This survey was conducted online within the United States by The Harris Poll on behalf of Florida Bankers Association from September 26-30, 2019 among 2,040 U.S. adults ages 18 and older, among whom 1,668 are registered voters. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables and subgroup sample sizes, please email research@saltermitchellpr.com.

ABOUT THE HARRIS POLL

The Harris Poll is one of the longest running surveys in the U.S. tracking public opinion, motivations and social sentiment since 1963 that is now part of Harris Insights & Analytics, a global consulting and marketing research firm that delivers social intelligence for transformational times. They work with clients in three primary areas; building twenty-first-century corporate reputation, crafting brand strategy and performance tracking, and earning organic media through public relations research. Their mission is to provide insights and advisory to help leaders make the best decisions possible. To learn more, please visit www.theharrispoll.com.