

**From:** [Kirk Jones](#)  
**To:** [Regulatory Comments](#)  
**Subject:** [Your name] Comments on Notice of Proposed Rulemaking Regarding Associational Common Bond  
**Date:** Friday, January 15, 2016 11:11:22 AM

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Gerard Poliquin  
National Credit Union Administration  
Alexandria DC 22314

[Your name] Comments on Notice of Proposed Rulemaking Regarding Associational  
Common Bond

Dear Gerard Poliquin:

Dear Mr. Poliquin:

This isn't a letter that you would expect from a banker. I actually hope the NCUA expands the field of membership for credit union members. The restrictions are already so weak that they are meaningless. Anyone can join a credit union and it has always been that way. At least now the NCUA will drop the façade and actually admit that there are no membership restrictions.

The argument for tax exempt credit unions is already weak. After this proposal is put in place, even the theoretical differences between banks and credit unions will be obliterated. Credit unions already do everything banks do - they open checking accounts and make loans to business entities, originate ACH entries, send wires, fund land-development loans, write mortgages, etc. Everyone in the industry knows that credit unions are already tax-free banks. But that "Members-only" sign that the NCUA holds up in front of Congress has kept our legislators from seeing what is really going on. Without that shield, even the most blind legislator will notice.

Oh, and let's not forget that the US Treasury had to bail out the credit union industry after the financial meltdown. Now there's irony for you. Tax paying banks bailed out tax-exempt competitors. Wow.

I think even the most biased politician will have difficulty defending the credit union tax break if this proposal stands.

Go for it. Erase the last of the meaningless membership restrictions. Then prepare for the 40% tax rate that bank enjoy (state and federal). The tax-bite will surely come. Maybe will see a few less credit union advertisements during the super bowl. Maybe there will be a few less stadiums named after credit unions.

Sincerely,  
Kirk Jones  
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Cedar City, UT 84721