

Cryptocurrency

Given the increased market activity in relation to cryptocurrency, have you considered the Australian income tax implications of holding cryptocurrency?

Revenue or capital?

- Do you currently hold/have you previously held cryptocurrency? Are you aware of whether you hold/held this on revenue or capital account? There may be different tax implications for you.

Arrived in or left Australia?

- Have you recently returned to Australia? If so, there may be capital gains tax considerations.
- Have you left, or are you intending to leave Australia? If so, you may have a capital gains tax event upon departure.

Tax planning

- Have you thought about deductions you can claim against your taxable cryptocurrency gains?
- Are there any investment decisions you should make before 30 June 2018?

Forking / Airdrops

- Have you received tokens via a forking event or via an airdrop? There may be tax considerations from these events.

Crypto to crypto?

- Did you know that crypto to crypto transactions may be taxable? Have you kept records of your crypto to crypto transactions?

Temporary resident

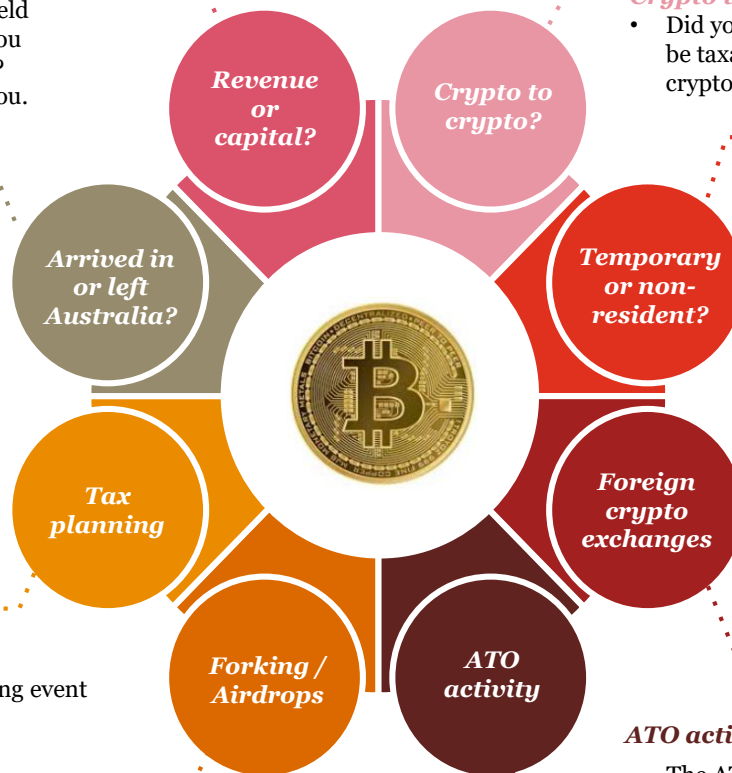
- Are you in Australia on a temporary resident visa (e.g. subclass 457 or TSS visa)? There may be tax concessions available to you.
- Are you a non-resident trading on an Australian crypto exchange? If so, there may be Australian and foreign tax considerations.

Foreign crypto exchanges

- Are you trading on a foreign crypto exchange? There may be tax return reporting and/or tax due in the country the exchange is located, as well as in Australia.

ATO activity

- The ATO issued guidance on the tax treatment of cryptocurrency in December 2017 and March 2018.
- The ATO has sought comments from the public on record-keeping relating to cryptocurrency.



The first decentralised digital currency, Bitcoin, was released in 2009. Since then, over a thousand cryptocurrencies have been introduced in the market. Over the past few years, there has been a significant increase in trading activities on the cryptocurrency market.

The volume and value of cryptocurrency trading activities, not only in Australia but also around the world has **raised tax authorities' interest**, many of which have started exploring ways to **monitor cryptocurrency transactions** and determine how cryptocurrency should be taxed.

In Australia, the Australian Taxation Office has released guidance on the taxation of cryptocurrency and sought public feedback/comments on record-keeping requirements for cryptocurrency transactions.

30 June 2018 tax year end



The 30 June 2018 tax year end is fast approaching and there will be Australian tax implications in relation to your cryptocurrency portfolio.

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There are **significant complexities** on how cryptocurrency is taxed and you should seek professional advice on your cryptocurrency transactions.

AUD5.9billion



In **2017 alone**, the value of cryptocurrency traded on the **Australian market was circa AUD5.9 billion¹**. This does not include transactions carried out on non-Australian exchanges.

PwC has been **working closely with a broad range of clients and stakeholders** on the various tax matters pertaining to cryptocurrency, and **is well positioned to assist you in meeting your tax obligations for your cryptocurrency**.

If any of the issues outlined on the reverse page pertain to you, please reach out to any of the following PwC contacts for further assistance.

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¹ Based on a report issued by Accenture and the Australian Digital Commerce Association (ADCA) on 20 March 2018, from data collected from several of the largest Australian cryptocurrency exchanges.