

From: Steven Rider
Sent: Friday, 30 September 2022 9:17 AM
To: Tax Digital Assets
Subject: Re: Submission on crypto [SEC=OFFICIAL]

Response to consultation questions:

1. No crypto asset tax treatment is not clear and the distinction between personal use and investment needs to be clarified.
2. I think the transfer of crypto within a wallet is incompatible with current tax laws and my feeling is that the crypto should only be tax on the capital account when the funds are withdrawn from the wallet or converted to fiat money.
- 3.No definitely not I have advised clients taking crypto as payment that the tax office doesn't view the exchange as currency.
4. No but more I deal with are seeking professional advice although there are a worrying amount of software programs spring that seem to be providing tax advice e.g. CTC and Koinly.
5. Still no and relying on the internet for advice.
6. No comment.
7. No comment..
- 8.. No comment.
9. I realise the government is angling for crypto currency to be treated as a digital asset and not as currency but certainly in the case of Bitcoin I don't believe this is the correct tax treatment. I believe that some crypto currency should be designated as currency for tax purposes similar to the AUD which when pegged against the USD goes up and down in value, This would allow merchants to accept Bitcoin and remove some of the tax consequences. Of course this approach does not apply to other forms of digital asset e.g. NFT and I believe that some crypto such as Ethereum act more like digital assets (and the currency component Ether is separated). Especially where the crypto is designed for contracts and there is an associated proof of work.

Please let me know if you would like further comment.

Regards,

Steven P. Rider, B.Bus, [M.Com](#), ATI, CPA
Certified Practising Accountant & Consultant

[XERO Certified Advisor](#)

ABN: 42 192 066 873

Licensed CPA in Public Practice: 2012560

Disclaimer: Liability limited by a scheme approved under Professional Standards Legislation. The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorised to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

