

## Tax Summary 2020

Statement Date: **05 Sep 2020**  
 Account Name: **Vote Super Pty Ltd**  
 Account Address: **c/- 50 Hunter St Newcastle NSW 2300**

### Your Estimated Taxable Gain or Loss



Currency	Gain or Loss	Amount (AUD)	Unprocessed Volume	Date
BTC		\$0.00	0.00000000	30 Jun 2020
ETH		\$0.00	0.00000000	30 Jun 2020
XRP		\$0.00	0.000000	30 Jun 2020
BCH		\$0.00	0.00000000	30 Jun 2020
LTC	Loss	\$590.45	0.00000000	30 Jun 2020
EOS		\$0.00	0.000000	30 Jun 2020
XLM		\$0.00	0.000000	30 Jun 2020
ETC		\$0.00	0.00000000	30 Jun 2020
BAT		\$0.00	0.000000	30 Jun 2020
ZRX		\$0.00	0.000000	30 Jun 2020
OMG		\$0.00	0.000000	30 Jun 2020
GNT		\$0.00	0.000000	30 Jun 2020
REP		\$0.00	0.000000	30 Jun 2020
PLA	Loss	\$3,181.24	0.000000	30 Jun 2020
<b>Total</b>	<b>Loss</b>	<b>\$3,771.69</b>		

This Estimator provides an indication of the amount of capital gains tax (CGT) you may be required to pay for the year ended 30 Jun 2020. Please refer to the General Disclaimer below. See section on "Cryptocurrency as an investment" for



**Independent  
Reserve**

*The Cryptocurrency Exchange*

information on the CGT discount. "Unprocessed Volume" refers to cryptocurrency volume for which there is no corresponding bid, and therefore not included in the Estimator calculation.

## End of Year Balances as at 30 Jun 2020

Currency	Amount	Value (AUD)
AUD	29.41	\$29.41
USD	0.00	\$0.00
NZD	0.00	\$0.00
BTC	15.00000000	\$199,092.00
ETH	150.00000000	\$49,002.00
XRP	1,750.00000	\$447.03
LINK	0.0000	\$0.00
USDT	0.00000	\$0.00
USDC	0.00000	\$0.00
BCH	10.00000000	\$3,254.90
BSV	10.00000000	\$2,202.70
LTC	500.00000000	\$29,715.00
MKR	0.00000000	\$0.00
DAI	0.00000	\$0.00
COMP	0.00000000	\$0.00
EOS	750.0000	\$2,641.87
XLM	15,000.00000	\$1,425.00
ETC	100.00000000	\$878.00
BAT	5,000.00000	\$1,897.05
PMGT	0.00000	\$0.00
ZRX	10,500.00000	\$5,109.93
OMG	7,500.00000	\$16,410.00
GNT	10,000.00000	\$907.90
REP	15.0000	\$449.70
PLA	0.00000	\$0.00
<b>Total</b>		<b>\$313,462.50</b>

## Fees and Earnings

Fees	Net (AUD)	GST (AUD)	Gross (AUD)
Deposit Fees	\$0.00	\$0.00	\$0.00
Withdrawal Fees	\$0.00	\$0.00	\$0.00
Statement Fees	\$0.00	\$0.00	\$0.00
Brokerage Fees	\$76.91	\$7.69	\$84.60
<b>Total</b>	<b>\$76.91</b>	<b>\$7.69</b>	<b>\$84.60</b>
<b>Earnings</b>	<b>Net (AUD)</b>	<b>GST (AUD)</b>	<b>Gross (AUD)</b>
Referrals Earned	\$0.00	\$0.00	\$0.00

## Transaction Details

\* Indicates an external trade.

All trades in USD and NZD are converted to AUD at the FX rate at the time of the trade.

Date	Type	Currency	Brokerage (AUD)	Quantity	Price (AUD)
16 May 2020	Market Buy	REP	\$0.55	5.0000	\$22.19
16 May 2020	Market Buy	ZRX	\$0.87	250.00000	\$0.69
16 May 2020	Market Sell	LTC	\$1.59	4.72698214	\$67.34
16 May 2020	Market Buy	LTC	\$0.01	0.02985929	\$68.59
16 May 2020	Market Buy	LTC	\$0.04	0.14150352	\$68.31
23 Feb 2020	Limit Buy	ZRX	\$0.53	250.00000	\$0.43
23 Feb 2020	Limit Buy	XLM	\$2.67	5,000.00000	\$0.10
21 Feb 2020	Market Sell	PLA	\$3.15	1,914,491.00000	\$0.00
21 Feb 2020	Market Sell	PLA	\$0.14	85,509.00000	\$0.00
24 Sep 2019	Market Buy	LTC	\$1.15	2.32593608	\$99.08
24 Sep 2019	Market Buy	LTC	\$1.10	2.22830000	\$99.07
24 Sep 2019	Market Buy	ETC	\$2.44	50.00000000	\$9.76
24 Sep 2019	Market Buy	EOS	\$1.46	50.0000	\$5.86
24 Sep 2019	Market Buy	ZRX	\$0.07	44.83237	\$0.33
24 Sep 2019	Market Buy	BAT	\$3.79	2,455.08021	\$0.30
24 Sep 2019	Market Buy	BAT	\$2.29	1,484.31979	\$0.30
24 Sep 2019	Market Buy	BAT	\$0.01	10.10000	\$0.29
24 Sep 2019	Market Buy	BAT	\$0.01	10.10000	\$0.29
24 Sep 2019	Market Buy	BAT	\$0.01	10.10000	\$0.29
24 Sep 2019	Market Buy	BAT	\$0.01	10.10000	\$0.29
24 Sep 2019	Market Buy	BAT	\$0.01	10.10000	\$0.29
24 Sep 2019	Market Buy	BAT	\$0.01	10.10000	\$0.28
24 Sep 2019	Market Buy	ZRX	\$7.29	4,314.52653	\$0.33

Date	Type	Currency	Brokerage (AUD)	Quantity	Price (AUD)
24 Sep 2019	Market Buy	ZRX	\$0.00	1.61110	\$0.33
24 Sep 2019	Market Buy	ZRX	\$0.90	539.00000	\$0.33
24 Sep 2019	Market Buy	ZRX	\$0.16	100.03000	\$0.33
24 Sep 2019	Market Buy	OMG	\$1.03	132.97000	\$1.56
24 Sep 2019	Market Buy	OMG	\$7.70	1,000.00000	\$1.54
24 Sep 2019	Market Buy	OMG	\$8.98	1,166.00000	\$1.54
24 Sep 2019	Market Buy	OMG	\$0.93	121.00000	\$1.54
24 Sep 2019	Market Buy	OMG	\$0.61	80.03000	\$1.54
24 Sep 2019	Market Buy	XRP	\$0.48	240.88671	\$0.39
24 Sep 2019	Market Buy	XRP	\$1.01	509.11329	\$0.39
24 Sep 2019	Market Buy	ETC	\$1.81	39.00000000	\$9.29
24 Sep 2019	Market Buy	ETC	\$0.51	11.00000000	\$9.28
24 Sep 2019	Market Buy	EOS	\$0.99	32.5830	\$6.13
24 Sep 2019	Market Buy	EOS	\$0.04	1.6170	\$6.12
24 Sep 2019	Market Buy	EOS	\$0.55	20.0000	\$5.55
24 Sep 2019	Market Buy	EOS	\$0.67	24.5000	\$5.54
24 Sep 2019	Market Buy	EOS	\$2.68	96.8000	\$5.54
24 Sep 2019	Market Buy	EOS	\$8.40	303.2000	\$5.54
24 Sep 2019	Limit Buy	EOS	\$3.36	121.3000	\$5.54
24 Sep 2019	Market Buy	PLA	\$7.15	1,000,000.00000	\$0.00
24 Sep 2019	Market Buy	GNT	\$0.46	839.44412	\$0.11
24 Sep 2019	Market Buy	GNT	\$2.82	5,130.30759	\$0.11
24 Sep 2019	Market Buy	GNT	\$0.26	500.00000	\$0.10
24 Sep 2019	Market Buy	GNT	\$0.01	23.18500	\$0.10
24 Sep 2019	Market Buy	GNT	\$0.02	61.02295	\$0.09
24 Sep 2019	Market Buy	GNT	\$1.09	2,314.84033	\$0.09
24 Sep 2019	Market Buy	GNT	\$0.00	10.00000	\$0.09
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.09
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.09

Date	Type	Currency	Brokerage (AUD)	Quantity	Price (AUD)
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.09
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.09
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.09
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.08
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.08
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.08
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.08
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.08
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.08
24 Sep 2019	Market Buy	GNT	\$0.00	10.10000	\$0.08
24 Sep 2019	Limit Buy	XLM	\$2.50	5,000.00000	\$0.10
18 Jun 2019	Limit Buy	GNT	\$0.71	1,000.00000	\$0.14
18 Jun 2019	Limit Buy	XLM	\$4.62	5,000.00000	\$0.18
17 Jun 2019	Limit Buy	BAT	\$2.55	1,000.00000	\$0.51
17 Jun 2019	Market Buy	REP	\$1.57	8.8137	\$35.80
17 Jun 2019	Market Buy	REP	\$0.21	1.1863	\$35.79
17 Jun 2019	Market Buy	EOS	\$5.42	100.0000	\$10.85
09 Jun 2019	Limit Sell	ETH	\$9.25	5.55901349	\$333.01
09 Jun 2019	Limit Sell	ETH	\$6.40	3.84500000	\$333.01
09 Jun 2019	Limit Sell	ETH	\$0.08	0.05134055	\$333.01
09 Jun 2019	Limit Sell	ETH	\$0.09	0.05769197	\$333.01
04 Feb 2019	Market Buy	ETH	\$2.01	2.72557064	\$147.71
04 Feb 2019	Market Buy	ETH	\$5.01	6.78730000	\$147.71
04 Feb 2019	Market Buy	PLA	\$1.96	163,074.24352	\$0.00
04 Feb 2019	Market Buy	PLA	\$1.90	157,892.75647	\$0.00
04 Feb 2019	Market Buy	PLA	\$2.40	200,000.00000	\$0.00
04 Feb 2019	Market Buy	PLA	\$2.38	200,000.00000	\$0.00
04 Feb 2019	Market Buy	PLA	\$0.65	55,530.00000	\$0.00
04 Feb 2019	Market Buy	PLA	\$2.36	200,000.00000	\$0.00

Date	Type	Currency	Brokerage (AUD)	Quantity	Price (AUD)
04 Feb 2019	Market Buy	PLA	\$0.19	16,235.00000	\$0.00
04 Feb 2019	Market Buy	ZRX	\$4.96	3,000.00000	\$0.33
04 Feb 2019	Market Buy	OMG	\$3.72	451.91800	\$1.64
04 Feb 2019	Market Buy	OMG	\$0.00	1.01000	\$1.64
04 Feb 2019	Market Buy	OMG	\$0.00	1.01000	\$1.64
04 Feb 2019	Market Buy	OMG	\$0.00	1.01000	\$1.63
04 Feb 2019	Market Buy	OMG	\$1.49	189.00000	\$1.57
04 Feb 2019	Market Buy	OMG	\$2.60	330.03000	\$1.57
04 Feb 2019	Market Buy	OMG	\$7.03	900.00000	\$1.56
04 Feb 2019	Market Buy	OMG	\$13.88	1,800.00000	\$1.54
04 Feb 2019	Market Buy	OMG	\$0.58	76.02200	\$1.54
04 Feb 2019	Market Buy	BTC	\$12.26	0.51448626	\$4,768.22
04 Feb 2019	Market Buy	BTC	\$11.32	0.47760000	\$4,740.48
04 Feb 2019	Market Buy	BTC	\$12.66	0.53440000	\$4,739.29
04 Feb 2019	Market Buy	BTC	\$34.91	1.47351374	\$4,739.28
03 Feb 2019	Market Buy	PLA	\$0.09	7,268.00000	\$0.00
03 Feb 2019	Market Buy	OMG	\$0.15	19.84800	\$1.51
03 Feb 2019	Market Buy	OMG	\$1.74	230.15200	\$1.51
03 Feb 2019	Market Buy	ZRX	\$0.14	85.28800	\$0.34
03 Feb 2019	Market Buy	ZRX	\$1.57	914.71200	\$0.34
05 Dec 2018	Market Buy	XRP	\$0.20	83.51400	\$0.47
05 Dec 2018	Market Buy	XRP	\$2.19	916.48600	\$0.47
05 Dec 2018	Market Buy	BTC	\$9.49	0.35616352	\$5,329.03
05 Dec 2018	Market Buy	BTC	\$18.38	0.69000000	\$5,329.02
05 Dec 2018	Market Buy	BTC	\$25.41	0.95383648	\$5,329.02
05 Dec 2018	Market Buy	ETH	\$3.50	4.74150404	\$147.80
05 Dec 2018	Market Buy	ETH	\$5.93	8.02390000	\$147.80
05 Dec 2018	Market Buy	ETH	\$27.75	37.55559596	\$147.79
05 Dec 2018	Market Buy	LTC	\$23.47	107.36640000	\$43.73



Date	Type	Currency	Brokerage (AUD)	Quantity	Price (AUD)
05 Dec 2018	Market Buy	LTC	\$8.73	40.00000000	\$43.69
05 Dec 2018	Market Buy	LTC	\$6.55	30.00000000	\$43.68
05 Dec 2018	Market Buy	LTC	\$2.22	10.21200000	\$43.67
05 Dec 2018	Market Buy	LTC	\$2.10	10.03000000	\$41.93
05 Dec 2018	Market Buy	LTC	\$0.00	0.01910000	\$41.62
05 Dec 2018	Market Buy	LTC	\$0.16	0.80450000	\$41.61
05 Dec 2018	Market Buy	OMG	\$2.61	260.62000	\$2.00
05 Dec 2018	Market Buy	OMG	\$2.50	250.00000	\$2.00
05 Dec 2018	Market Buy	OMG	\$1.89	189.38000	\$2.00
05 Dec 2018	Market Buy	ZRX	\$0.26	100.00000	\$0.53
05 Dec 2018	Market Buy	ZRX	\$2.12	800.00000	\$0.53
01 Dec 2018	Market Buy	ZRX	\$0.30	100.00000	\$0.61
01 Dec 2018	Market Buy	OMG	\$1.57	149.97000	\$2.10
01 Dec 2018	Market Buy	OMG	\$1.53	150.03000	\$2.05
01 Dec 2018	Market Buy	LTC	\$8.25	37.37360000	\$44.16
01 Dec 2018	Market Buy	LTC	\$11.03	50.00000000	\$44.15
01 Dec 2018	Market Buy	LTC	\$0.14	0.65330000	\$43.87
01 Dec 2018	Market Buy	LTC	\$0.23	1.05410000	\$43.85
01 Dec 2018	Market Buy	LTC	\$0.19	0.88900000	\$43.83
01 Dec 2018	Market Buy	LTC	\$2.19	10.03000000	\$43.82
07 Aug 2018	Limit Buy	BTC	\$45.00	1.00000000	\$9,001.00
07 Aug 2018	Limit Buy	BTC	\$45.50	1.00000000	\$9,101.00
07 Aug 2018	Limit Buy	BTC	\$46.25	1.00000000	\$9,251.00
07 Aug 2018	Limit Buy	ETH	\$24.87	9.21285000	\$540.01
07 Aug 2018	Limit Buy	ETH	\$27.00	10.00000000	\$540.01
07 Aug 2018	Limit Buy	ETH	\$27.00	10.00000000	\$540.01
07 Aug 2018	Limit Buy	ETH	\$2.12	0.78715000	\$540.01
07 Aug 2018	Limit Buy	BCH	\$23.27	5.00000000	\$931.00
07 Aug 2018	Limit Buy	LTC	\$0.00	0.00001420	\$99.57

Date	Type	Currency	Brokerage (AUD)	Quantity	Price (AUD)
07 Aug 2018	Limit Buy	LTC	\$10.10	20.28650000	\$99.58
07 Aug 2018	Limit Buy	LTC	\$9.36	18.80955500	\$99.58
07 Aug 2018	Limit Buy	LTC	\$10.40	20.90392524	\$99.58
07 Aug 2018	Limit Buy	LTC	\$0.00	0.00000556	\$99.57
07 Aug 2018	Limit Buy	LTC	\$1.78	3.58899444	\$99.60
07 Aug 2018	Limit Buy	LTC	\$10.41	20.90743756	\$99.60
07 Aug 2018	Limit Buy	LTC	\$0.59	1.20000000	\$99.60
07 Aug 2018	Limit Buy	LTC	\$0.99	2.00000000	\$99.60
07 Aug 2018	Limit Buy	LTC	\$2.06	4.14292200	\$99.60
07 Aug 2018	Limit Buy	LTC	\$8.59	17.26064600	\$99.60
07 Aug 2018	Limit Buy	BTC	\$46.75	1.00000000	\$9,351.00
07 Aug 2018	Limit Buy	LTC	\$0.44	0.90000000	\$99.60
07 Aug 2018	Limit Buy	BTC	\$46.96	1.00000000	\$9,392.00
07 Aug 2018	Limit Buy	ETH	\$22.81	8.29800518	\$550.01
07 Aug 2018	Limit Buy	ETH	\$27.50	10.00000000	\$550.01
07 Aug 2018	Limit Buy	ETH	\$27.50	10.00000000	\$550.01
07 Aug 2018	Limit Buy	ETH	\$1.03	0.37488000	\$550.01
07 Aug 2018	Limit Buy	ETH	\$3.64	1.32711482	\$550.01
19 Apr 2018	Market Buy	LTC	\$15.68	16.42938325	\$190.96
19 Apr 2018	Market Buy	LTC	\$8.55	9.00000000	\$190.00
19 Apr 2018	Market Buy	LTC	\$62.82	66.14000000	\$189.99
08 Mar 2018	Market Buy	ETH	\$64.28	13.67917537	\$939.87
08 Mar 2018	Market Buy	BCH	\$10.58	1.38610867	\$1,527.00
08 Mar 2018	Market Buy	BCH	\$0.03	0.00410000	\$1,521.72
08 Mar 2018	Market Buy	BCH	\$0.03	0.00410000	\$1,518.34
08 Mar 2018	Market Buy	BCH	\$0.34	0.04569133	\$1,499.74
08 Mar 2018	Market Buy	BCH	\$0.03	0.00410000	\$1,494.42
08 Mar 2018	Market Buy	BCH	\$0.03	0.00410000	\$1,491.11
08 Mar 2018	Market Buy	BCH	\$0.03	0.00410000	\$1,488.22

Date	Type	Currency	Brokerage (AUD)	Quantity	Price (AUD)
08 Mar 2018	Market Buy	BCH	\$0.14	0.01900000	\$1,487.99
08 Mar 2018	Market Buy	BCH	\$0.03	0.00410000	\$1,473.94
08 Mar 2018	Market Buy	BCH	\$0.03	0.00410000	\$1,470.69
08 Mar 2018	Market Buy	BCH	\$0.02	0.00410000	\$1,461.52
08 Mar 2018	Market Buy	BCH	\$0.02	0.00410000	\$1,460.29
08 Mar 2018	Market Buy	BCH	\$0.02	0.00410000	\$1,457.07
08 Mar 2018	Market Buy	BCH	\$0.02	0.00410000	\$1,441.50
08 Mar 2018	Market Buy	BCH	\$0.02	0.00410000	\$1,428.16
08 Mar 2018	Market Buy	BCH	\$7.12	1.00000000	\$1,425.01
08 Mar 2018	Market Buy	BTC	\$29.51	0.48000000	\$12,299.72
08 Mar 2018	Market Buy	BTC	\$62.72	1.02000000	\$12,299.62
19 Jan 2018	Limit Buy	BTC	\$38.40	0.51204150	\$15,000.00
19 Jan 2018	Limit Buy	BTC	\$36.59	0.48795850	\$15,000.00
19 Jan 2018	Limit Buy	ETH	\$53.90	7.70000000	\$1,400.00
08 Jan 2018	Limit Buy	ETH	\$144.00	18.00000000	\$1,600.00
19 Dec 2017	Market Buy	ETH	\$1.71	0.30000000	\$1,146.10
05 Aug 2017	Market Buy	BCH	\$0.00	2.50000000	\$0.00
03 Mar 2017	Market Buy	BTC	\$1.49	0.16300000	\$1,840.00
03 Mar 2017	Market Buy	BTC	\$3.07	0.33400000	\$1,839.74
03 Mar 2017	Market Buy	BTC	\$18.32	2.00000000	\$1,832.83
03 Mar 2017	Market Buy	BTC	\$0.00	0.00100000	\$1,824.26
03 Mar 2017	Market Buy	BTC	\$0.00	0.00100000	\$1,798.32
03 Mar 2017	Market Buy	BTC	\$0.00	0.00100000	\$1,781.02

## General Disclaimer

The information contained in the Tax Summary is provided for general information purposes only. It is not intended nor should it be used as a substitute for tax, audit, accounting, investment, consulting or other professional advice on any subject matter. You should seek advice directly from a professional before making any decision or taking any action on accounting, tax, financial and consulting related matters and issues. The information provided in the Tax Summary is subject to change without notice. All information in the Tax Summary is provided "as is."

### Tax treatment of cryptocurrencies

The term cryptocurrency is generally used to describe a digital asset in which encryption techniques are used to regulate the generation of additional units and verify transactions on the blockchain. Cryptocurrency generally operates independently of a central bank, central authority or government.

The creation, trade and use of cryptocurrency is rapidly evolving. This information represents the ATO's current view of the income tax implications of common transactions involving cryptocurrency. Any reference to 'cryptocurrency' in this guidance refers to Bitcoin, or other crypto or digital currencies that have the same characteristics as Bitcoin.

If you are involved in acquiring or disposing of cryptocurrency, you need to be aware of the tax consequences. These vary depending on the nature of your circumstances. Everybody involved in acquiring or disposing of

cryptocurrency needs to keep records in relation to their cryptocurrency transactions.

One example of cryptocurrency is Bitcoin. The ATO's view is that Bitcoin is neither money nor Australian or foreign currency. Rather, it is property and is an asset for capital gains tax (CGT) purposes. Other cryptocurrencies that have the same characteristics as Bitcoin will also be assets for CGT purposes and will be treated similarly for tax purposes.

The guidance below is general in nature and focusses on the tax consequences for taxpayers transacting with cryptocurrencies. For example, statements about deductibility assume the ordinary conditions for a deduction are satisfied

### Transacting with cryptocurrency

A CGT event occurs when you dispose of your cryptocurrency. Examples include when you sell, trade or exchange your cryptocurrency, convert it to a fiat currency like Australian dollars, or use it to obtain goods or services. If you make a capital gain on the disposal of a cryptocurrency, some or all of the gain may be taxed. Certain capital gains or losses that arise from the disposal of cryptocurrency that is a personal use asset may be disregarded.

For the purposes of the Tax Summary, the gain or loss is calculated based on the first-in first-out (FIFO) method.

If the disposal is part of a business you carry on, the profits you make on disposal will be assessable as ordinary income and not as a capital gain.

## Cryptocurrency as an investment

If you acquire cryptocurrency as an investment, you may have to pay tax on any capital gain you make on disposal of the cryptocurrency.

You will make a capital gain if the capital proceeds from the disposal of the cryptocurrency are more than its cost base.

If you acquire cryptocurrency as an investment, you will not be entitled to the personal use asset exemption. However, if you held the cryptocurrency for 12 months or more, you may be entitled to the CGT discount. Individuals and Trusts may be eligible for the CGT discount of 50%, and complying superannuation funds and self-managed superannuation funds (SMSFs) may be eligible for the CGT discount at 33.33%.

If the capital proceeds from the disposal of the cryptocurrency are less than its cost base, you will make a capital loss. A capital loss can be used to reduce capital gains made in the same year or a later year. Net capital losses cannot be offset against other income.

### Example: cryptocurrency investment

Terry has been a long term investor in shares and has a range of holdings in various public companies in a balanced portfolio of high and low risk investments. Some of his holdings are income producing and some not, and he adjusts his portfolio frequently at the advice of his adviser.

Recently, Terry's adviser told him that he should invest in cryptocurrency. On that advice Terry purchased a range of cryptocurrency which he has added to his portfolio. Terry doesn't know much about cryptocurrency but, as with all of his investments, he adjusts his portfolio from time to time in accordance with appropriate investment weightings.

If Terry sells some of his cryptocurrency the proceeds would be subject to CGT. He has acquired and held his cryptocurrency as an investment.

### Personal use asset

Some capital gains or losses that arise from the disposal of cryptocurrency that is a personal use asset may be disregarded. Cryptocurrency may be a personal use asset if it is acquired and kept or used mainly to purchase items for personal use or consumption.

Cryptocurrency is not a personal use asset if it is acquired, kept or used:

- as an investment
- in a profit-making scheme
- in the course of carrying on a business

Only capital gains you make from personal use assets acquired for less than \$10,000 are disregarded for CGT purposes. However, all capital losses you make on personal use assets are disregarded.

### *Example: a personal use asset*

Michael wants to attend a concert. The concert provider offers discounted ticket prices for payments made in cryptocurrency.

Michael pays \$270 to acquire cryptocurrency and uses the cryptocurrency to pay for the tickets on the same day. Having regard to the circumstances in which Michael acquired and used the cryptocurrency, the cryptocurrency is a personal use asset.

*Example: not a personal use asset*

Peter has been regularly acquiring cryptocurrency for over six months with the intention of selling at a favourable exchange rate. He has decided to buy some goods and services directly with some of his cryptocurrency. Because Peter acquired the cryptocurrency as an investment, the cryptocurrency is not a personal use asset.

## Record keeping

You need to keep the following records in relation to your cryptocurrency transactions:

- the date of the transactions
- the value of the cryptocurrency in Australian dollars at the time of the transaction (which can be taken from a reputable online exchange)
- what the transaction was for and who the other party was (even if it's just their cryptocurrency address).

## Carrying on a business

In the context of carrying on a business, funds or property you receive through the acquisition and disposal of cryptocurrency are likely to be ordinary assessable income where you:

- receive money or property in the ordinary course of your business.

- If these gains or profits are ordinary income, you may be able to claim deductions, and any capital gains you make are reduced to the extent that they are also ordinary income.

Proceeds from the sale of cryptocurrency held as trading stock in a business are ordinary income. Examples of businesses that involve cryptocurrency include:

- cryptocurrency traders
- cryptocurrency mining businesses
- cryptocurrency exchange businesses (including ATMs).

Not all people acquiring and disposing of cryptocurrency will be carrying on businesses. To carry on business, you need to:

- carry on your activity for commercial reasons and in a commercially viable way
- undertake activities in a business-like manner. This would typically include preparing a business plan and acquiring capital assets or inventory in line with the business plan
- prepare accounting records and market a business name or product
- intend to make a profit or genuinely believe you will make a profit, even if you are unlikely to do so in the short term.
- There's usually repetition and regularity to your business activities, although one-off transactions can amount to a business in some cases.

Whether you are carrying on a business and when the business commences are important pieces of information. If you're still setting up or preparing to go into business, you might

not yet have started the business.

Money received (or property received) prior to a business being carried on is not generally assessable income. Likewise, you cannot claim deductions incurred prior to the business being carried on.

### Using cryptocurrency for business transactions

If you receive cryptocurrency for goods or services you provide as part of your business, you need to include the value of the cryptocurrency in Australian dollars as part of your ordinary income. This is the same process as receiving any other non-cash consideration under a barter transaction.

One way of determining the value in Australian dollars is the fair market value which can be obtained from a reputable cryptocurrency exchange.

Where you purchase business items using cryptocurrency (including trading stock) you are entitled to a deduction based on the arm's length value of the item acquired.

### Exchanging a cryptocurrency for another cryptocurrency

Where you exchange one cryptocurrency for another cryptocurrency, you dispose of one CGT asset and acquire another CGT asset.

Where you receive property instead of cash as part of a transaction, you are usually taken to have the market value in Australian dollars of the property received.

*Example: exchanging a cryptocurrency for another cryptocurrency*

Katrina exchanges one coin of Cryptocurrency A for five coins of a Cryptocurrency B. The market value in Australian dollars for both the one coin of Cryptocurrency A and the five coins of Cryptocurrency B is \$5,000.

When working out whether or not she has made a capital gain or loss on the disposal of Cryptocurrency A, Katrina's capital proceeds are \$5,000.

### Paying salary or wages in cryptocurrency

Where an employee has a valid salary sacrifice arrangement with their employer to receive cryptocurrency as remuneration instead of Australian dollars, the payment of the cryptocurrency is a fringe benefit and the employer is subject to the provisions of the Fringe Benefits Tax Assessment Act 1986.

In the absence of a valid salary sacrifice agreement (for example, where the employee requests that salary or wages they have already earned be paid as cryptocurrency instead), the employee is considered to have derived their normal salary or wages and the employer will need to meet their pay as you go obligations on the Australian dollar value of the cryptocurrency it pays to the employee.