



Department of the Treasury  
Internal Revenue Service  
3651 S IH-35  
Mail Stop: 4308 AUSC  
Austin, TX 78741

Date:

7/19/19

Taxpayer ID number:

#####

Hotline telephone number:

737-800-7990

eFax number:

888-981-6485

Respond by:

8/19/19

Address

## Reporting Virtual Currency Transactions

Name

### Why we're writing to you

We have information that you have or had one or more accounts containing virtual currency and may not have met your U.S. tax filing and reporting requirements for transactions involving virtual currency, which include cryptocurrency and non-crypto virtual currencies.

Virtual currency is considered property for federal income tax purposes. Generally, U.S. taxpayers must report all sales, exchanges, and other dispositions of virtual currency. An exchange of a virtual currency (such as Bitcoin, Ether, etc.) includes the use of the virtual currency to pay for goods, services, or other property, including another virtual currency such as exchanging Bitcoin for Ether. This obligation applies regardless of whether the account is held in the U.S. or abroad. More information can be found on [www.irs.gov](http://www.irs.gov) and in Notice 2014-21, found at [www.irs.gov/pub/irs-drop/n-14-21.pdf](http://www.irs.gov/pub/irs-drop/n-14-21.pdf), which describes how general tax principles for property transactions apply to transactions using virtual currency.

For one or more of tax years 2013 through 2017, we haven't received either a federal income tax return or an applicable form or schedule reporting your virtual currency transactions.

### What you need to do by the "respond by" date above

Take one of the following actions:

- If you failed to file one or more income tax returns, file the delinquent returns and report your virtual currency transactions as soon as possible. For more information see [www.irs.gov/filing](http://www.irs.gov/filing)
- If you made a mistake on your income tax return, such as not reporting your virtual currency transactions or incorrectly calculating your income, gain, or loss; you can file an amended return. For more information, visit [www.irs.gov/forms-pubs/about-form-1040x](http://www.irs.gov/forms-pubs/about-form-1040x)

**Someone may represent you**

If you want someone to represent you in this matter, send a completed Form 2848, Power of Attorney and Declaration of Representative, with your response to the address above.

**Additional information**

You can find the forms and publications for reporting your virtual currency transactions by visiting our website at [www.irs.gov/forms-pubs](http://www.irs.gov/forms-pubs) or by calling 800-TAX-FORMS (800-829-3676).

If you have questions, you can call the hotline telephone number shown at the top of this letter and leave a message. We'll respond to all messages within three business days.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Stiernagle", written over a horizontal line.

Bryan Stiernagle  
Program Manager