

Cryptoasset Guidance Update

General Features

Personal tax

01 November 2019

ATT and CIOT report back from the latest cryptoasset roundtable in September, which discussed HMRC guidance and enquiries.

The crucial issue for most practitioners advising clients with cryptoassets is guidance. Since there is no legislation specifically aimed at dealing with these virtual assets (and unlikely to be any in the near future), it is important that practitioners and HMRC are on the same page about how to apply existing legislation to this unique asset class.

HMRC initially published [guidance for individuals transacting in cryptoassets](#) in December 2018. We are pleased to report that HMRC are now nearing final sign off on guidance for businesses transacting in cryptoassets and that guidance on the crucial question of situs is being actively developed. At the time of writing (early October), we do not have definitive dates for publication of these further items of guidance, and a further meeting on the question of situs will be needed, so please keep an eye on the ATT and CIOT websites for updates. Ultimately, HMRC's intention is to transfer and develop existing guidance into a manual, which will cover both operational and policy issues for cryptoassets.

Also highlighted at the meeting was the question of enquiries. A number of media outlets reported over the summer that HMRC have written to crypto-exchanges to obtain details of their customers and transactions. While HMRC is not able to comment on any specific requests, they did say that they will use their powers to ensure that tax returns are accurate and the tax system is robust. HMRC want people to get their tax right and recommend use of the digital disclosure service to bring their affairs up to date. ATT have written further about this issue in an article for [AccountingWEB](#).

Other matters covered at the meeting included how group members are approaching calculating the net gain or loss position for self-assessment and the

potential use of specific tools and programs to deal with calculating the tax position when there has been a high volume of transactions in the year.

We would welcome any practical examples of tax issues members come across while dealing with cryptoassets which we can take to any future meetings. Please send these to technical@ciot.org.uk or atttechnical@att.org.uk.