

Blockchain Technology: An Emerging Issues Forum

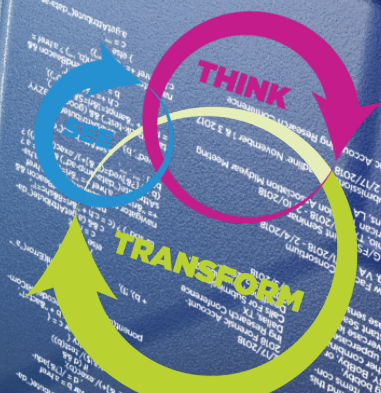
Thursday September 13, 2018

#aaaBC2018



Blockchain's Impact on Taxation

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Blockchain Impact: Tax

A Taxologist's View of Blockchain

- Theme
- Context
- Focus
- Challenge
- Opportunity



Theme: Uncertainty

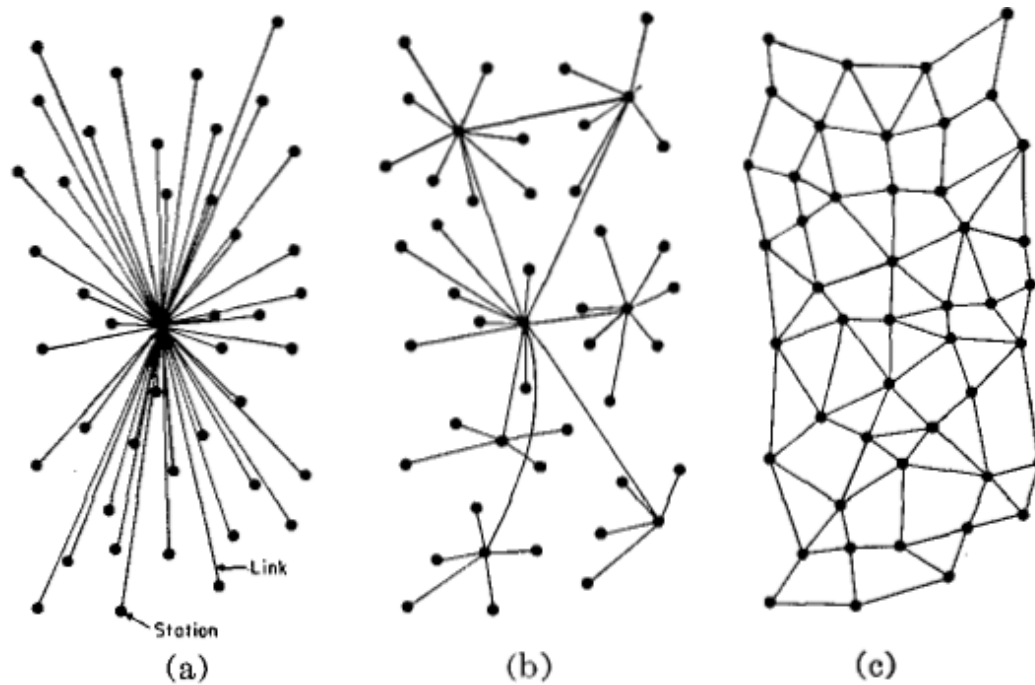
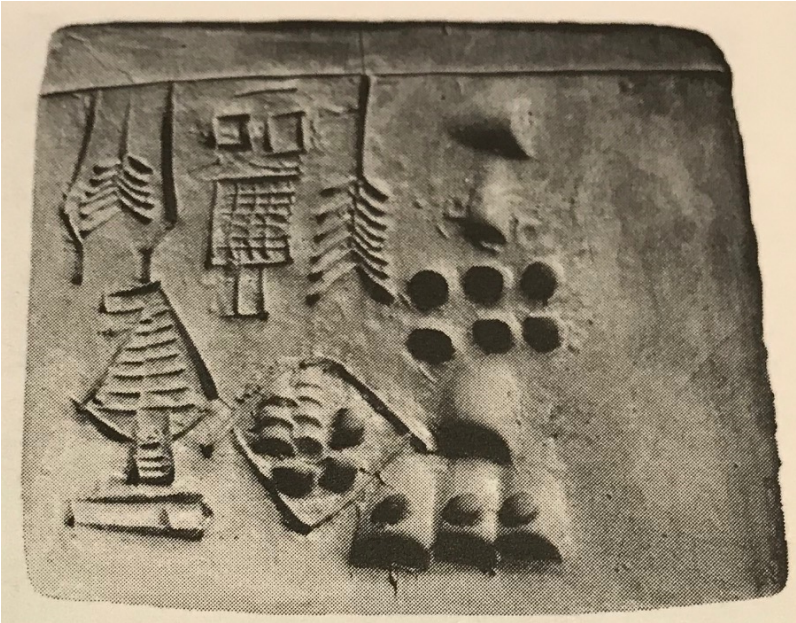


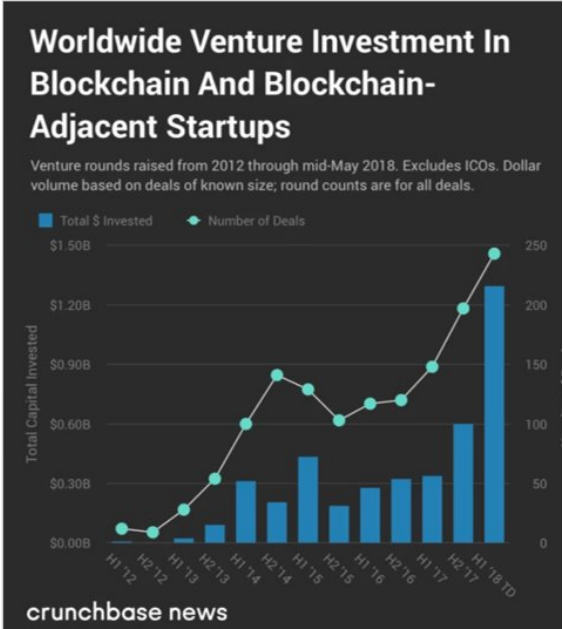
Fig. 1—(a) Centralized. (b) Decentralized. (c) Distributed networks.



Context: Taxation & Monetary History



Focus: Digital Assets & Blockchain Technology



Challenge: Taxing Digital Assets



- **Distributed transactions**
- **Pseudo anonymous users**
- **Hard to characterize tokens**
- **No single “throat to choke”**
- **Willful disregard for regulations**

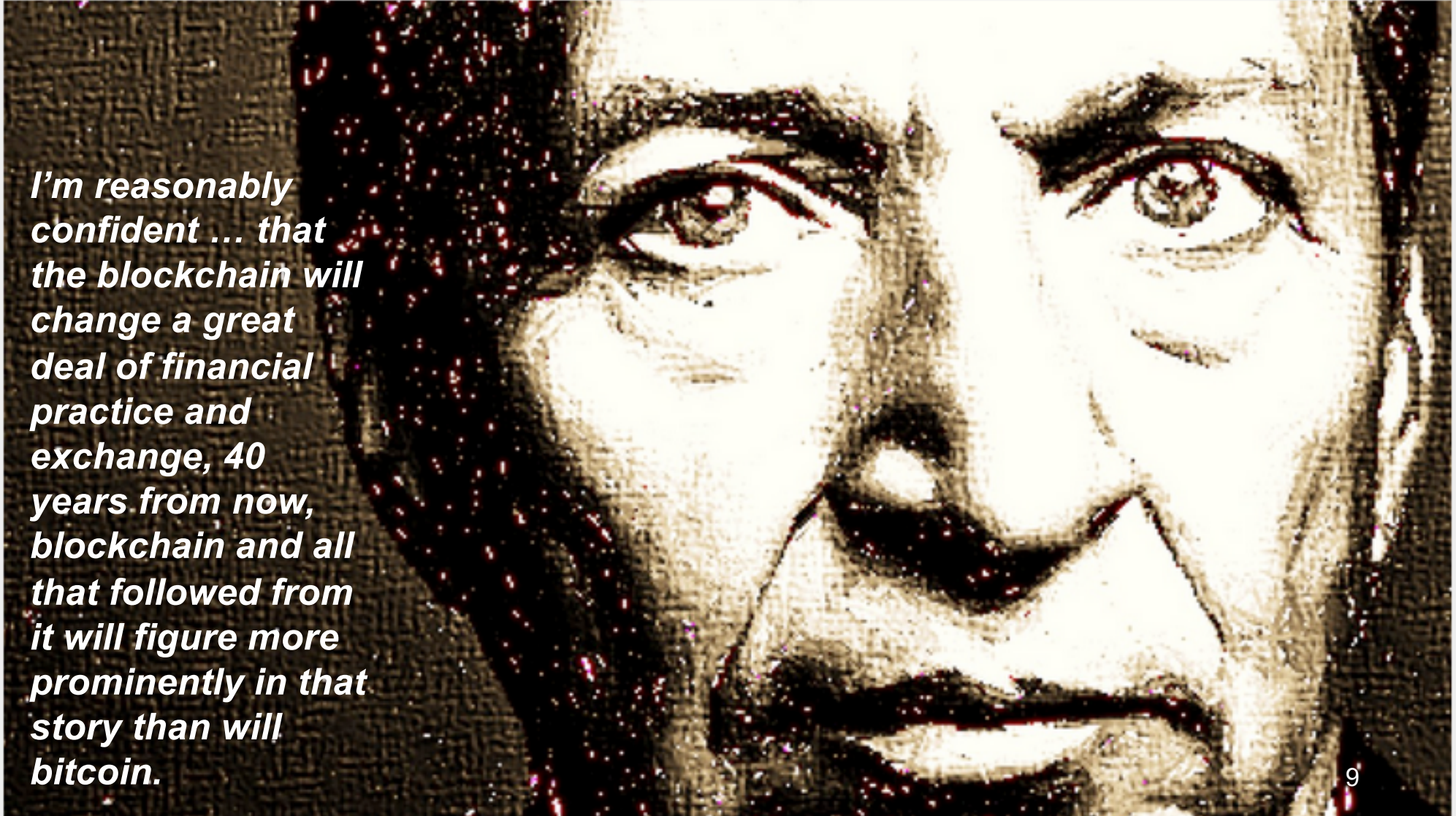
Opportunity: Frictionless Compliance

Taxpayer  Government



- **Recordkeeping**
 - **Reconciliation**
 - **Liability Assignment**
 - **Value Exchange**





I'm reasonably confident ... that the blockchain will change a great deal of financial practice and exchange, 40 years from now, blockchain and all that followed from it will figure more prominently in that story than will bitcoin.

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