



# Crypto International Tax Panel

January 2026



# Agenda

## Considerations for Enterprise

- Use cases / general flows
- Character Matters: GILTI vs. Subpart F
- FDII
- Intercompany Transactions
- Application of Tax Treaties

## Considerations for Funds that stake or trade

- Character of staking activities
- Trading safe harbor



# Digital Assets

"What's the thing?"

## Cryptocurrencies



**Decentralized crypto-assets**  
e.g., BTC, ETH (Layer 1)

## Stablecoins



### Payment Stablecoins

Defined under GENIUS Act



### General asset backed

e.g., Tether



**Algorithmic stablecoin**  
e.g., DAI

## Tokens

### Digital financial instruments



#### Equity tokens

Digital representation of equity



#### Security tokens

Expected return; debt instrument



#### Derivative tokens

Oil rights; derivative of traditional security or digital asset

### Utility and other



#### Governance tokens

e.g., Uniswap, Balancer, Makr



#### Utility tokens

e.g., ZRX, BAT (dApps)



#### NFTs

e.g., Beeple, BAYC

## Central Bank Digital Currency (CBDC)



### China Yuan



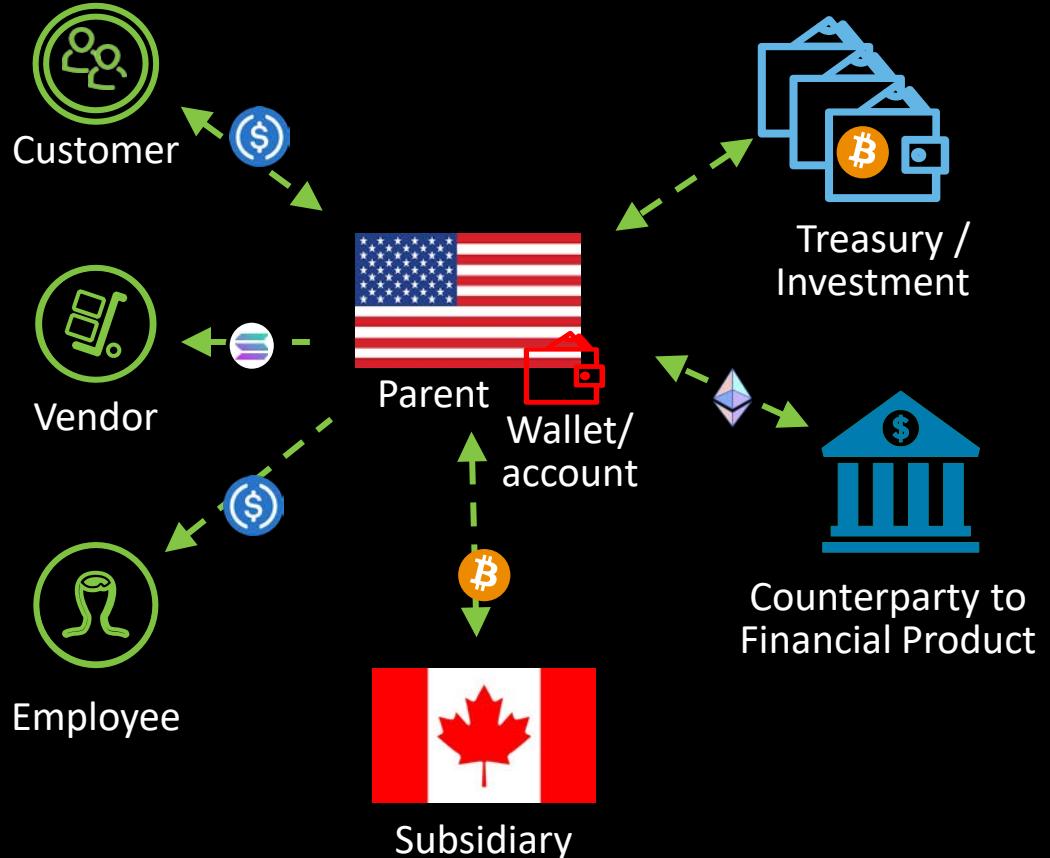
### Russia Ruble



### Digital Euro

# Using Crypto in the Business

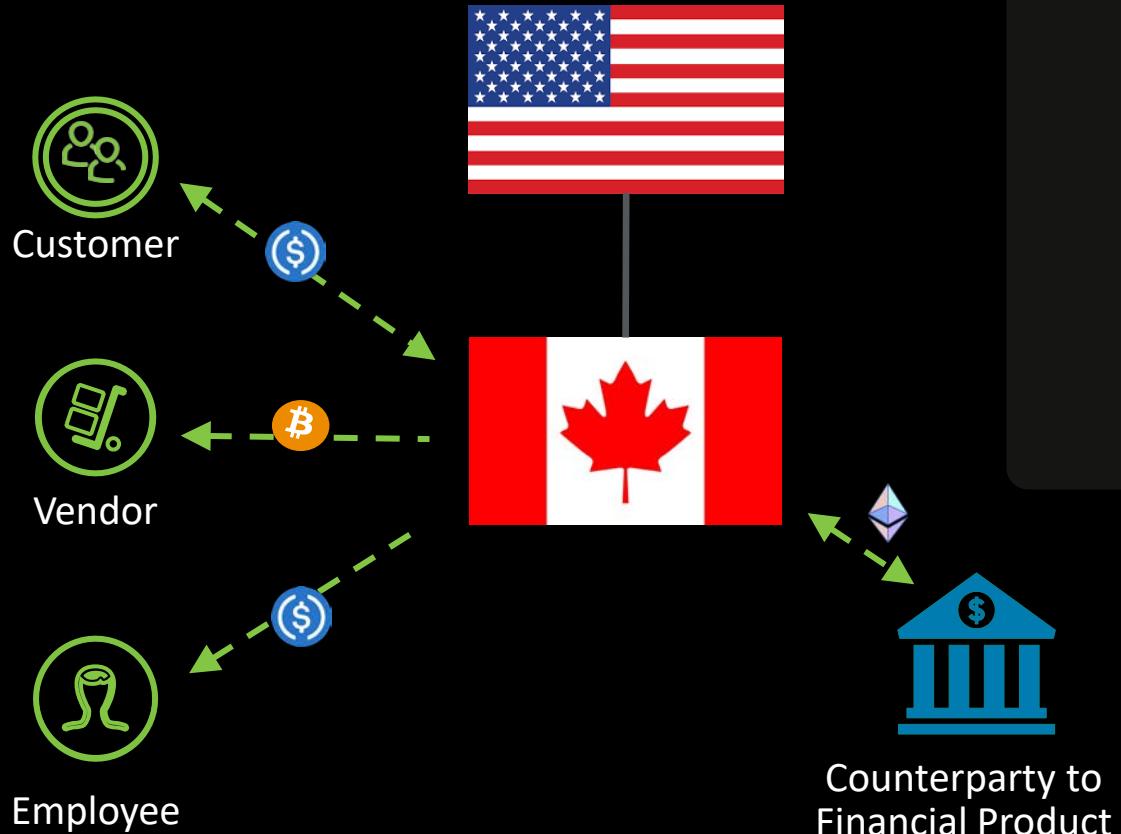
## Tax Considerations of Barter Transactions



- Revenue / Expense Recognition
  - Barter Transactions
  - Yield Generating Activities / Staking / Node operations
- Basis Tracking / wallet structures / tax methods
- Character
- Indirect Tax
- Withholding and remittance
- Information Reporting
- International Tax Lens:
  - Application of treaties
  - GILTI vs. Subpart F
  - FDII
  - Transfer Pricing

# Character Matters

## Subpart F vs. GILTI

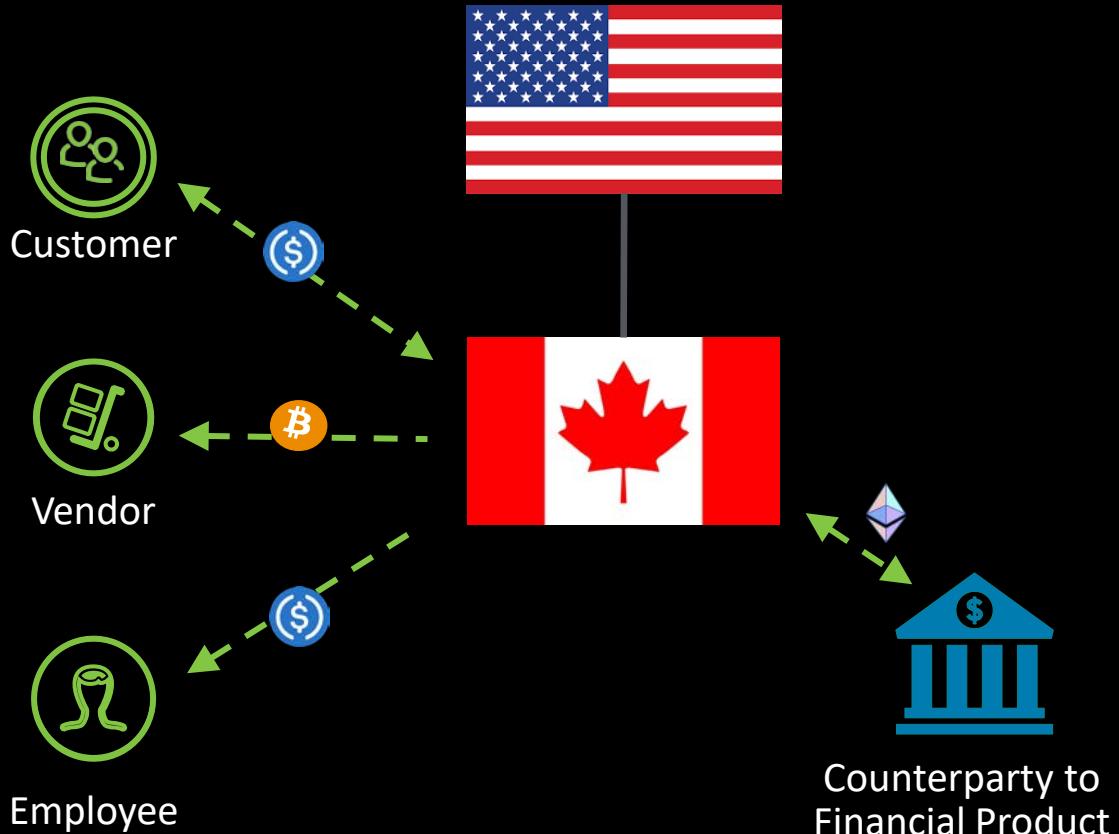


- 1221(a)(1) – held for sale in the ordinary course of business
- Asset type and uses
- Various business lines
- Within an entity and across entities
- Wallet Structures
- Basis tracking

| Key | Stablecoin | Bitcoin | Ether | Solana |
|-----|------------|---------|-------|--------|
|     |            |         |       |        |

# Using Crypto in the Business

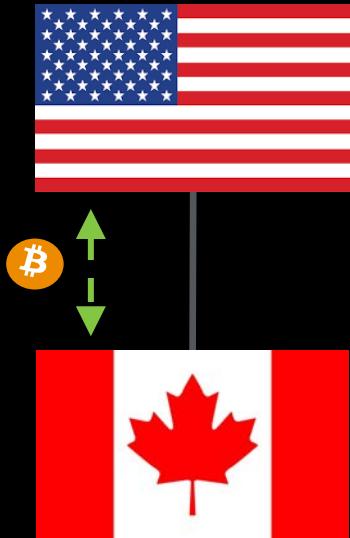
## Consider FDII



- Gain generated in barter transaction
- Character
- General vs. Intangible property
- New definition of intangible 367(a) vs. (d) – via OBBBA
- Foreign use
- Foreign person

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|-----|------------|---------|-------|--------|
|     |            |         |       |        |

# Using Crypto in the Business Intercompany Transactions

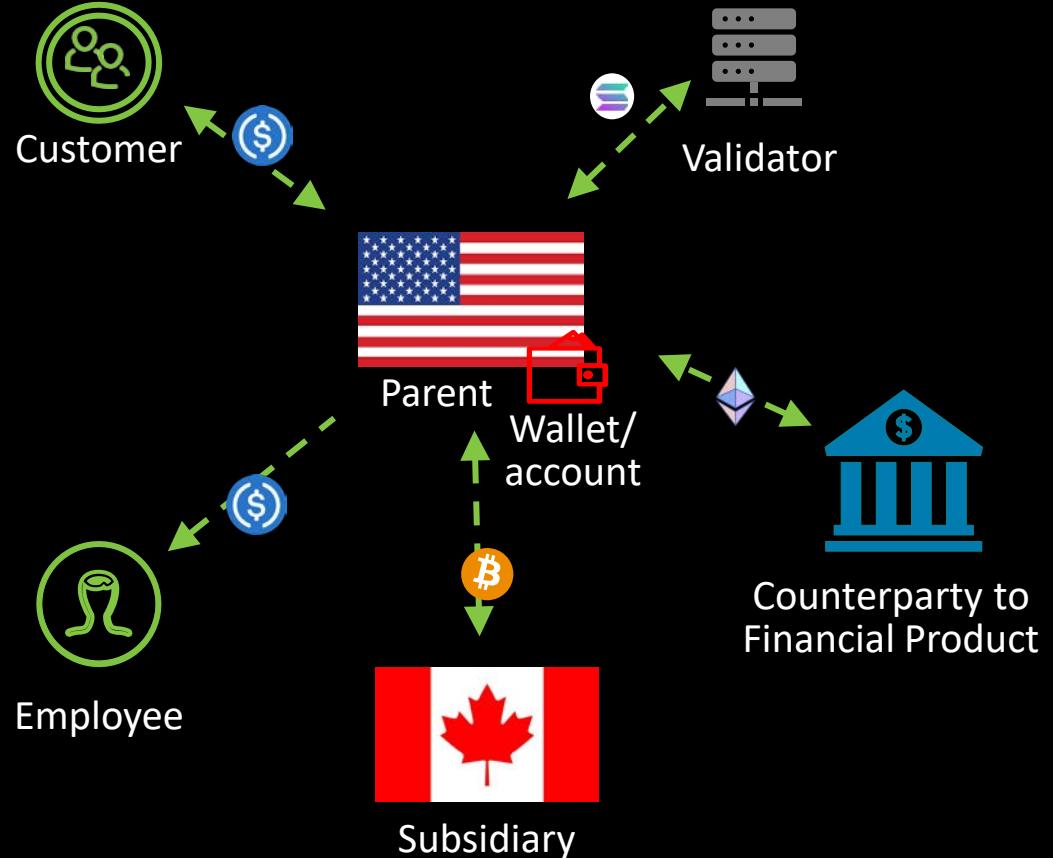


- Denominated in fiat vs. crypto
- Settled in fiat vs. crypto
- Gain / Loss
- Timing of income / deduction
- Characterization (ex. borrow fee)
- Sourcing of borrow fee
- Transfer Pricing



# Using Crypto in the Business

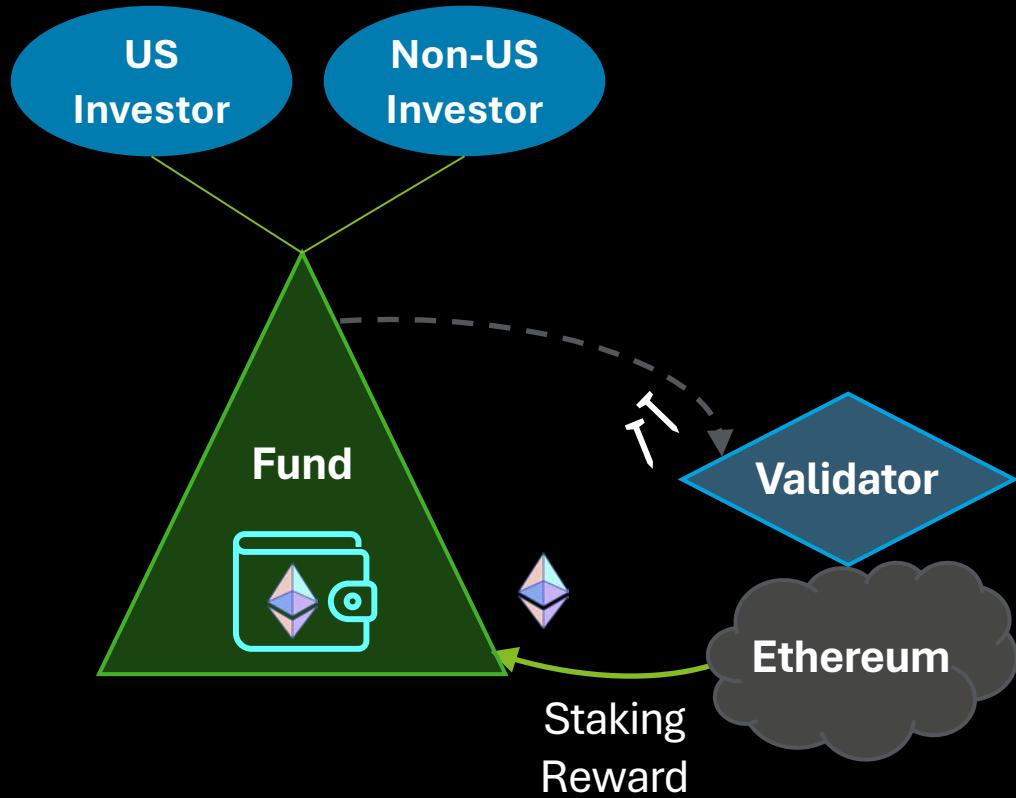
## Application of Tax Treaties



- Character
- Source
- Residency
- Permanent Establishment

# Funds

## Tax Considerations of trading and staking



Key



Stablecoin Bitcoin Ether Solana

### Staking

- IRS position—Rev. Rul. 2023-14
- Character and source are unaddressed
  - Not interest
  - Services, rent, “other”
  - Source by analogy
  - Withholding and reporting depends upon recipient
- Consider
  - Trade or business
  - Effectively connected income
  - Basis tracking
  - Timing of revenue recognition
  - Indirect tax implications

### Trading

- Application of 864(b)



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