

Cryptocurrency and the ATO

The ATO has started data-matching in the digital payments space in order to verify information reported to them on a self-assessment.

The program commenced in 2019 on crypto transaction data stored from 2014 onwards.

Transactions on a decentralised exchange can be anonymous. However, sometimes, the ATO is able to identify the owner of a crypto-wallet by matching specific transactions.

Every transaction involving crypto is recorded on a blockchain. A blockchain is an unalterable digital ledger of all transactions which have occurred using a specific cryptocurrency.

The future for cryptocurrency and the ATO is in the normalisation and regularisation of taxation processes.

Contemporaneous record keeping accuracy will eventually be held to the same standard as other sectors.

