

We're writing to you as our records show you have disposed of cryptoassets. However, you haven't declared everything correctly. This means you may have tax to pay.

What is a cryptoasset 'disposal'

You make a disposal of cryptoassets whenever you:

- sell cryptoassets for fiat currency - for example, pounds or dollars
 - gains from these transactions are taxable, even if the money you make is not 'withdrawn' from the cryptoasset exchange
- exchange one cryptoasset for another - for example, exchanging Bitcoin for Ether, or using Bitcoin to buy a non-fungible token (NFT)
 - this is treated as a disposal of the old cryptoasset and an acquisition of the new one - gains from these disposals are taxable, even if you haven't converted your cryptoassets back to fiat currency
- use cryptoassets to buy goods or services
- give away your cryptoassets to someone who is not your spouse or civil partner
 - this gifting will be treated as having received the pound sterling value of the cryptoasset you give away, even if you did not actually receive anything

What you need to do if you have disposed of cryptoassets

We generally treat cryptoassets the same way as other assets. If you make a disposal of cryptoassets, you may have to report them to us and pay Capital Gains Tax (CGT) on any gains that you make.

What you need to do if you have received cryptoassets

Income Tax and National Insurance contributions may be due where you were involved in cryptoasset related activities that generated an income. For example, income from lending, staking and mining of cryptoassets. This may also be due from an employment which resulted in an income paid in the form of cryptoassets.

How we tax cryptoassets

For more information about how we tax cryptoassets, go to GOV.UK and search 'Check if you need to pay tax when you sell cryptoassets'. You can also search 'Check if you need to pay tax when you receive cryptoassets'. You will also be able to find link to our detailed Cryptoassets Manual on these pages.

Cryptoassets can be a complex area of tax. We will send a copy of this letter to your tax advisor if you have let us know you have one. If you don't have one, you may want to get professional advice.

What you need to do now

You may have capital gains or income relating to cryptoassets that you have not:

- told us about
- included in your Self Assessment or Capital Gains Real Time transaction returns.

If so, please contact us with information about this. You can find details about how to contact us later in this letter.

You can declare any income or gains on your Self Assessment return if you are within the time limit for the relevant year to make amendments. For information about how to do this, go to GOV.UK and search 'Self Assessment corrections' then choose 'If you need to change your return'.

If you need to report any unpaid tax on cryptoassets from previous years, you can do this by using our cryptoasset disclosure service. Go to GOV.UK and search 'Tell HMRC about unpaid tax on cryptoassets'.

If you're satisfied that you don't have any cryptoasset-related tax to pay, please contact us using the details shown later in this letter. To support this, we ask that you include information that shows why you do not have to pay tax on your cryptoasset activities when you contact us.

Please act now. You can do this by making an amendment, disclosure or giving us information. You must do this by [SEES to enter 60 days ahead of the date of this letter](#).

You can get help from HMRC if you need extra support. For example, if you need information in a different format or need help filling in forms. Go to GOV.UK and search 'Get help from HMRC if you need extra support'.

What happens next

If you have additional CGT or income tax to pay, we may raise an assessment and send you details of the additional amounts due. We'll charge interest on any tax you pay late. For more information, go to GOV.UK and search 'pay Self Assessment tax bill'.

We will also consider if we need to charge you penalties. We will consider this on a case-by-case basis to decide if we need to charge an inaccuracy penalty or a failure to notify penalty. For more information about inaccuracy penalties, go to GOV.UK and search 'CC/FS7a'. For more information about failure to notify penalties, go to GOV.UK and search 'CC/FS11'.

It's your responsibility to make sure your tax returns are completed correctly.

If you want to contact us about how to make an amendment or disclosure or give us information about your cryptoasset transactions, you can:

- phone us on 03000 552294 – our phone lines are open Monday to Friday, 9am to 4.30pm
- email us at responseteam@hmrc.gov.uk - before you contact us by email, please read the enclosed factsheet 'Corresponding with HMRC by email'

Please note that:

- we cannot correct your tax return over the phone or help you work out your tax position
- we cannot give you any specific tax advice relating to your circumstances
- you'll receive a delayed response from us if you reply to this letter in writing by post

For more information about how to fill in your tax return correctly, go to GOV.UK and search 'Self Assessment tax returns'.

If you contact us, we can deal with you more quickly if you quote our reference number and provide a daytime phone number.

Yours sincerely

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Join the millions of taxpayers already using their Personal Tax Account to access a range of services. It takes just a few minutes to get started, go to GOV.UK and search 'personal tax account'. Or you can use the HMRC app.

To find out about the service and standard of behaviour you can expect from us, go to GOV.UK and search 'HMRC Charter'.