

June 9, 2026

The Honorable Jason Smith  
Chairman, Committee on Ways and Means  
U.S. House of Representatives

The Honorable Richard Neal  
Ranking Member, Committee on Ways and Means  
U.S. House of Representatives

Dear Chairman Smith and Ranking Member Neal:

The Crypto Council for Innovation (CCI) writes to thank the Committee for its work advancing digital asset tax legislation and convening today's hearing to provide an opportunity for further public engagement on this critical topic. CCI is a global alliance of the world's leading crypto exchanges, asset managers, infrastructure providers, institutional investors, and fintech companies. Our members collectively serve tens of millions of U.S. customers, manage trillions of dollars in assets, and employ thousands of American workers. We believe a fair and workable digital asset tax framework will foster compliance, facilitate further adoption of digital assets, and drive continued industry development here in the United States.

Today's hearing reflects the kind of deliberate, evidence-based process that legislation of this complexity deserves, and CCI stands ready to contribute technical expertise and serve as a resource to the Committee. Congressional legislation is critical to address the friction and ambiguity currently imposed on American taxpayers, businesses, and innovators when engaging with digital assets. The treatment of staking and mining income is among the most consequential. Current IRS guidance taxes rewards at the moment of receipt, even when those rewards cannot yet be sold or accessed — creating real tax liability on assets that have not yet generated any real economic value. The Committee's approach, rightly identifying that staking rewards are newly created property that can be taxed upon disposition, is consistent with economic substance and the ways blockchain technology actually works in practice. We would welcome the opportunity to engage with Committee staff on additional provisions to promote the onshoring of blockchain operations, including the treatment of staking income for tax-exempt investors and sourcing rules for foreign participants using U.S.-based validator infrastructure.

The proposed legislation's treatment of payment stablecoins reflects an equally important recognition of the technology: assets specifically designed to function as digital cash should not generate gain-and-loss calculations on every transaction. The current tax treatment undermines the broader policy objectives of the GENIUS Act and discourages everyday commercial adoption that would benefit American consumers and businesses. Likewise, we strongly support the Committee's

recognition that small, incidental transactions such as network fees that are critical to blockchain security and maintenance should not generate reporting obligations. Today’s hearing is an important opportunity to hear directly from industry participants and technical experts on how a reasonable de minimis exemption can remove friction on ordinary economic activity while preserving full taxation of economically significant transactions.

We want to be clear on one point that underlies all of these issues: IRS guidance alone cannot provide the certainty that American taxpayers, businesses, and investors need. Guidance reflects an interpretive position under statutory frameworks that were never designed for digital assets, is subject to legal challenge, and can be reversed by subsequent administrations. The issues the Committee is addressing require durable statutory solutions, and only Congress can provide them. The Committee’s action is both timely and essential.

The case for moving forward is also a competitive one. U.S. tax ambiguity is actively driving talent, capital, and infrastructure abroad. As we have previously highlighted for the Committee, 88% of centralized exchange trading volume now occurs on non-U.S. platforms, and the U.S. share of global crypto developers has fallen 51% over the past decade, from 38% to 19%, according to Electric Capital. Token foundations, protocol development entities, and staking operations that could and should be domiciled domestically are instead being established in jurisdictions with clear rules. A comprehensive digital asset tax framework would reverse that trend and make the United States the destination of choice for digital asset innovation and institutional capital — while delivering the fairness and certainty that tens of millions of Americans participating in this ecosystem deserve.

CCI and our members bring deep legal, technical, and practical expertise to the issues this legislation addresses, and we are grateful for the Committee’s leadership. We look forward to continuing to work together toward a tax framework that serves taxpayers, supports U.S. competitiveness, and reflects the economic realities of the digital asset markets reshaping global finance.

Respectfully submitted,



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