

# Tax Issues Associated with Cryptocurrency

UNIVERSITY OF TEXAS SCHOOL OF LAW  
HIGHER EDUCATION TAXATION INSTITUTE

---

June 20, 2022

1

5 Min. Crash Course Video (You Tube Video I9jOJk30eQs)



2

2

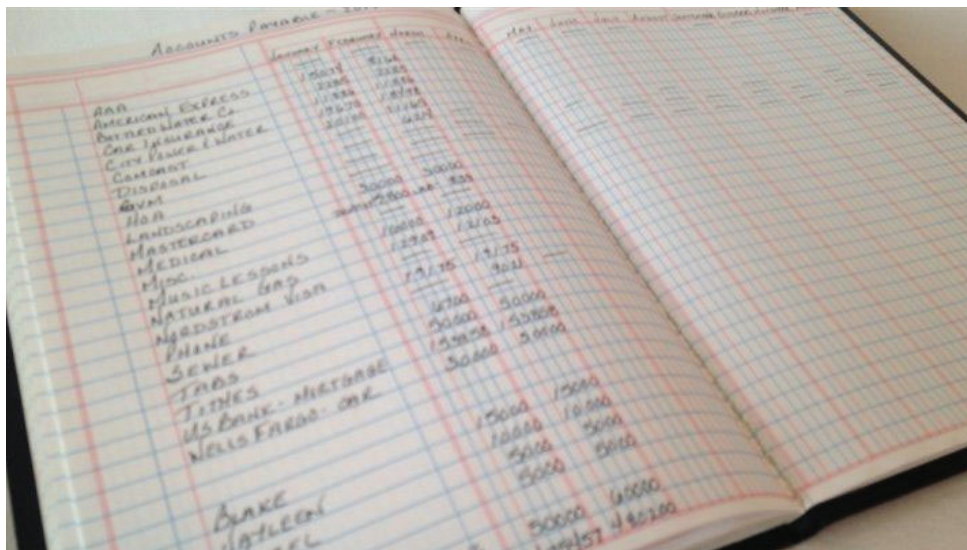
## A BLOCKCHAIN IS...

- A **distributed ledger** where transactions are recorded and confirmed in a **pseudo-anonymous** and **trustless manner**.
- It's a record of events that is shared (and updated in real-time) between many parties.
- More importantly, it is an append-only database, **once information is entered, it cannot be altered**.

3

3

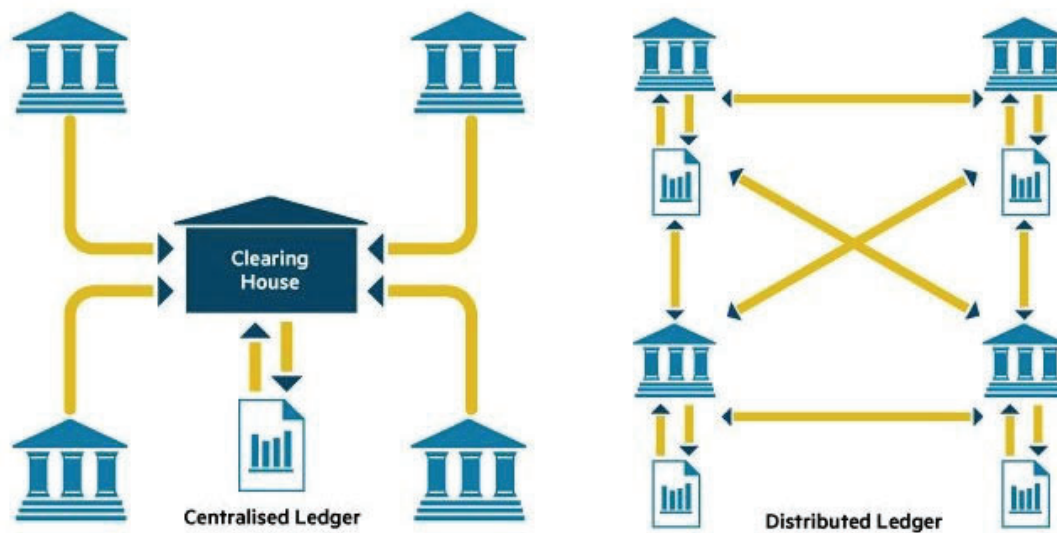
## Ledgers and Blocks



4

4

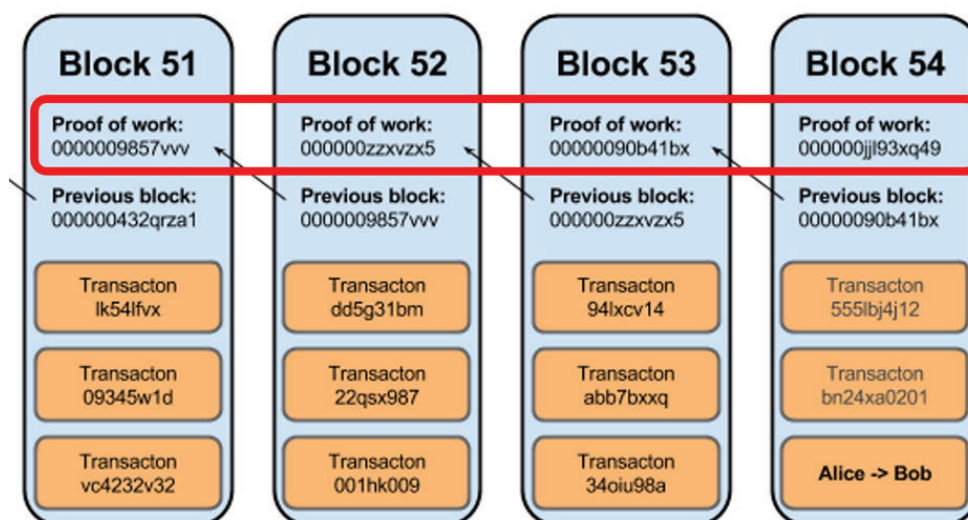
## Centralized vs. Distributed Ledger



FT graphic. Source: Santander InnoVentures, Oliver Wyman & Anthemis Partners

5

## What Might a Blockchain Look Like?



6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Tax Issues Associated with Cryptocurrency and NFTs

Also available as part of the eCourse

[2022 Higher Education Taxation eConference](#)

First appeared as part of the conference materials for the  
10<sup>th</sup> Annual Higher Education Taxation Institute session

"Tax Issues Associated with Cryptocurrency and NFTs"