

Crapo Statement at Hearing on Taxation of Digital Assets

October 1, 2025

Washington, D.C.—U.S. Senate Finance Committee Chairman Mike Crapo (R-Idaho) delivered the following remarks at a hearing on the taxation of digital assets.

As prepared for delivery:

“In recent years, digital assets have emerged to become an important part of our global financial ecosystem.

“Today, we will discuss how our tax code can provide a clear framework to ensure American leadership in this innovative industry.

“But we are not starting from scratch.

“Over two years ago, this Committee laid the groundwork for a strong, bipartisan foundation when Ranking Member Wyden and I jointly released a public request for information on how Congress could address the tax challenges and opportunities presented by digital assets.

“The robust input we received from stakeholders showed significant uncertainty exists, and Congress should update our tax code to provide clear and durable rules of the road.

“Since receiving that input, the market cap of digital assets has continued to rapidly increase and additional questions have been raised in the industry.

“Many of my colleagues on both sides of the aisle understand these challenges and have put in significant work to develop thoughtful solutions.

“This summer, Congress passed and the President signed into law the GENIUS Act, which establishes a first-of-its-kind framework for payment stablecoins, an important step for American leadership in financial innovation and economic opportunity.

“As Congress considers additional steps to further develop the digital asset architecture, the tax treatment of these assets and transactions is a necessary part of the fabric.

“Currently, our tax code does not provide straightforward answers for many digital asset transactions, whether someone is buying a cup of coffee, donating to charity, investing, lending, mining or staking.

“Without clear tax rules, taxpayers are left with many unanswered questions and individuals, businesses and our country’s finances bear the burden.

“Lingering tax uncertainty also makes the U.S. a less attractive place to do business and invest, and hurts tax compliance.

“The U.S. must not fall behind in this rapidly growing market—it should be a leader in digital asset development.

“Recognizing these challenges, the Trump Administration has rightly prioritized the examination of the current tax treatment of digital assets.

“During his first week in office, President Trump issued an Executive Order recognizing the crucial role the digital asset industry plays in U.S. innovation, economic development and international leadership.

“That Executive Order also established a President’s Working Group on Digital Assets Markets, which published a report titled, ‘Strengthening American Leadership in Digital Financial Technology.’

“The report includes tax legislative proposals regarding the mark-to-market election, trading safe harbors, securities loans, and the wash sale and constructive sale rules for fungible digital assets. The report also includes tax recommendations dealing with payment stablecoins.

“These are novel and complex topics, and I thank our witnesses for being here today to help us better understand them.

“I look forward to hearing from you about steps Congress can take to develop proper rules of the road for digital asset taxation to ensure U.S. leadership in this rapidly evolving industry.

“As we will hear from our witnesses, the cryptocurrency ecosystem is diverse in its products and functions, and our tax code must appropriately adapt to reflect a more comprehensive and durable approach.

“I trust the bipartisan foundation this Committee has built will result in solutions that meet the challenge.”