

116TH CONGRESS
1ST SESSION

H. R. 3963

To amend the Internal Revenue Code of 1986 to allow exclusion of gain or loss on like-kind exchanges of virtual currency.

IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2019

Mr. BUDD introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow exclusion of gain or loss on like-kind exchanges of virtual currency.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Virtual Value Tax Fix
5 Act of 2019”.

6 **SEC. 2. EXCLUSION FOR LIKE-KIND EXCHANGES OF VIR-
7 TUAL CURRENCY.**

8 (a) IN GENERAL.—Section 1031 of the Internal Rev-
9 enue Code of 1986 is amended by adding at the end the
10 following new subsection:

1 “(i) SPECIAL RULE FOR VIRTUAL CURRENCY.—

2 “(1) IN GENERAL.—For purposes of this sec-
3 tion, the exchange of virtual currency for virtual cur-
4 rency of like kind shall be treated in the same man-
5 ner as the exchange of real property for real prop-
6 erty of like kind.

7 “(2) TERMINATION.—Paragraph (1) shall not
8 apply with respect to any exchange completed after
9 December 31, 2024.”.

10 (b) EFFECTIVE DATE.—The amendments made by
11 this section shall apply with respect to exchanges com-
12 pleted after the date of the enactment of this Act.

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