



TaxNewsFlash

United States



No. 2022-397
December 23, 2022

Announcement 2023-2: Transitional guidance for broker reporting on digital assets

The IRS today issued [Announcement 2023-2](#) [PDF 61 KB] to provide transitional guidance under sections 6045 and 6045A with respect to the reporting of information on digital assets.

The Infrastructure Investment and Jobs Act (Infrastructure Act), enacted in 2021, amended provisions in sections 6045 and 6045A to clarify and expand the rules regarding the reporting of information on digital assets by brokers. Read [TaxNewsFlash](#)

Announcement 2023-2 states that the Treasury Department and the IRS intend to implement those amendments by issuing new regulations specifically addressing the application of sections 6045 and 6045A to digital assets and providing forms and instructions for broker reporting. Until such new regulations are finalized,

- Brokers may report gross proceeds and basis as required by the existing law and regulations under section 6045 as of December 23, 2022.
- Brokers may furnish statements on transfers of covered securities as required by the existing law and regulations under section 6045A as of December 23, 2022.
- Brokers will not be required to report or furnish additional information with respect to dispositions of digital assets under section 6045, or issue additional statements under section 6045A, or file any returns with the IRS on transfers of digital assets under section 6045A(d).

However, as explained in the accompanying IRS release—IR-2022-227 (December 23, 2022)—this transitional guidance applies only to information returns filed or furnished by brokers. In contrast, taxpayers are still required to report any income they receive from transactions involving digital assets. They are also required to answer the digital asset question on page 1 of either [Form 1040](#) [PDF 152 KB] or [Form 1040-SR](#) [PDF 160 KB].

kpmg.com/socialmedia



The information contained in TaxNewsFlash is not intended to be “written advice concerning one or more Federal tax matters” subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader’s knowledge on the matters addressed therein, and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG’s Federal Tax Legislative and Regulatory Services Group at + 1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)