



*Congress of the United States
House of Representatives
Washington, D. C. 20515*

*Anna G. Eshoo
Eighteenth District
California*

August 12, 2021

The Honorable Nancy Pelosi, Speaker
U.S. House of Representatives
H-232, The Capitol
Washington, D.C. 20515

Dear Speaker Pelosi,

I write to express concern regarding the tax reporting requirements for cryptocurrency brokers in the *Infrastructure Investment and Jobs Act*, the bipartisan infrastructure legislation recently passed by the Senate.

The legislation imposes new reporting requirements on the cryptocurrency industry by expanding the definition of "broker" to include anyone who regularly facilitates the transfer of digital assets on behalf of another person. Such broad language encompasses not only the exchanges that provide a marketplace for trading digital assets, but also entities like cryptocurrency miners, validators, and developers of wallets. In the decentralized system of cryptocurrencies, these individuals and entities do not know who the buyers and sellers are and would be unable to comply with the broker requirements.

When the House takes up the Senate bill, I encourage you to amend the problematic broker definition in Section 80603 of the legislation. A bipartisan group of Senators offered an amendment to this effect that Secretary of Treasury Janet Yellen supported, however, the amendment was not included due to procedural concerns rather than substantive ones.

I share the goals of the underlying provision to address tax evasion in the cryptocurrency market, but the House should amend it, as the bipartisan compromise amendment would have, to meet this goal without stifling innovation in a nascent industry by imposing unworkable regulations. I stand ready to work with you to ensure the infrastructure legislation addresses tax evasion to pay for its investments without unduly threatening a growing sector of our economy.

Most gratefully,

A handwritten signature in blue ink that reads "Anna G. Eshoo". The signature is stylized and fluid.

Anna G. Eshoo