

June 26, 2026

Dear Representative:

On behalf of the undersigned organizations collectively representing millions of workers and families across the United States, we write to strongly oppose Republican-led crypto legislation under consideration by the House Ways & Means Committee. Specifically, we strongly oppose the Tax Clarity for Mining and Staking Act, the Charitable Deductions for Digital Asset Donations Act, and the Less Tax Paperwork for Digital Asset Owners Act. While there are some small positive reforms in some aspects of the legislation under consideration by the Committee, the revenue raised by closing these loopholes would be wasted on preferential tax treatment to the crypto industry that would benefit already wealthy crypto holders at tremendous costs to taxpayers. With an out-of-control affordability crisis squeezing workers and families at the grocery store, gas pump, and doctor's office, the last thing working people need is for Congress to waste billions more of their own dollars to give another tax handout to the wealthy rather than helping them.

While there have been some good faith efforts to put together a reasonable basis for bipartisan legislation, the bills unveiled by the Republican majority fail to meet this standard. For example the Tax Clarity for Mining and Staking Act would provide unlimited tax deferral for digital assets, effectively forcing taxpayers to subsidize already wealthy crypto holders and firms without any real method of ensuring digital assets are eventually taxed. Not only would unlimited deferral create preferential tax treatment for crypto assets that don't and shouldn't exist for other similar assets, but it is also a tremendously costly provision that would waste billions now and in the future. Furthermore, some proposals attempt to tackle this issue by creating a 5 year deferral window by which taxpayers can elect to defer taxation for a maximum period of 5 years before being required to pay taxes on the assets. However, credible estimates show that the difference between unlimited deferral and a 5 year window are negligible, and both would lose significant and similar revenue in the long run. Lastly, we strongly believe that if Congress chose to enact any level of deferral for any time period, the crypto industry would simply come back to Congress to seek delays or elimination altogether, rendering the provision essentially useless and the cost to taxpayers exponential.

Furthermore, the Less Tax Paperwork for Digital Asset Owners Act is another example of misguided legislation. While this bill proposes de minimis rules that are better than its counterparts, it falls tremendously short of what a reasonable approach to digital asset taxation would include. A de minimis exemption for crypto inherently creates an advantage that other similar asset classes do not enjoy. For example, stock cannot be sold at a certain level to avoid taxation. Additionally, this proposal and other similar bills would require adequate staffing at the IRS to ensure these new rules would be applied and enforced. It should not be lost on the Committee that under the current Administration, the Treasury and IRS have been decimated. In 2025, the number of investigators at the IRS [focused on crypto fell by 33 percent](#). The

Committee should be greatly skeptical that an agency that's lost 1/3 of its workforce responsible for enforcing the law as it is today is capable of implementing new rules and regulations with adequate means of enforcement despite losing this highly specialized expertise.

We also have concerns about the Charitable Deductions for Digital Asset Donations Act, which is meant to encourage philanthropic giving of digital assets by allowing the giver to use market rate estimates rather than getting an appraisal of the digital assets being donated. One issue with this legislation is that it only applies to cryptocurrencies with a market cap over \$500 million, allowing hundreds of lesser known digital assets to be subject to IRS appraisals which in aggregate is a costly and burdensome process, and as previously noted the IRS does not currently have adequate resources to enforce. Additionally, [manipulation of the crypto markets is rampant](#) and even "market value" could be rigged by big investors to make the digital assets temporarily look larger than they really are, forcing charities to attempt to time the market rather than having confidence that they've been given and hold stable investments. Congress has much more work to do to thoroughly examine the implications of this legislation before acting hastily and without a full accounting of potential ramifications.

Lastly, we would be remiss if we didn't call to attention the context by which these policy discussions and hearings have been taking place. The Republican majority is currently planning a third reconciliation bill that by their own admissions will potentially include more partisan tax policies that waste billions, if not trillions, of dollars in costly tax breaks for the wealthy and corporations. Publicly available legislative plans for a third reconciliation bill would also make painful cuts to healthcare, SNAP, and other affordability programs that will continue to make life more expensive for millions of working people. Some members have even floated plans that would make cuts to the Child Tax Credit and Earned Income Tax Credit, hurting the families and children who need the most help in today's unaffordable economy that they themselves created through last year's One Big Beautiful Bill Act (OBBBA). OBBBA wasted trillions of dollars on new, permanent corporate tax breaks that have done nothing to bring down prices, raise wages, or make the economy more affordable. Simply put, focusing on new crypto tax giveaways while the cost of groceries, healthcare, and energy rises faster than wages and wipes out any minimal tax refunds workers and families may have expected is extremely shortsighted and misguided.

For these reasons, our organizations strongly encourage you to oppose the Republican-led package of crypto tax legislation under consideration. While we believe there is reasonable ground for Congress to write good rules of the road for the taxation of digital assets, these bills fail to collectively meet that standard. If you have any questions, please contact John Foti at [jfoti@americansfortaxfairness.org](mailto:jfoti@americansfortaxfairness.org).

Sincerely,

Americans for Tax Fairness  
AFL-CIO

AFSCME  
American Family Voices  
American Friends Service Committee  
Americans for Financial Reform  
Avondale ACTion, an Indivisible Group  
Campaign for America's Future  
Citizen Action/Illinois  
Coalition on Human Needs  
Democratic Messaging Project  
Families Over Billionaires  
Forward Kentucky  
Freedom Writers Collaborative  
Friends of the Earth  
Income Movement  
Indivisible  
Indivisible Ca Green Team  
Indivisible Marin  
Indivisible Westside Los Angeles  
Institute for Policy Studies' Poverty Project  
Institute on Taxation and Economic Policy  
National Women's Law Center Action Fund  
NETWORK Lobby for Catholic Social Justice  
Our Revolution  
Progressive Democrats of America  
Public Citizen  
RESULTS  
Safer Country  
Service Employees International Union  
Unitarian Universalists for Social Justice  
United for Respect  
Venice Resistance  
Voices for Progress