

## **Prop. Reg. Section 1.6045-1(d)(2)(i)**


Returns of information of brokers and barter exchanges

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(d)

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### (2) Transactional reporting-



#### (i) Required information-

(A) General rule for sales described in paragraph (a)(9)(i) of this section. Except as provided in paragraph (c)(5) of this section, for each sale described in paragraph (a)(9)(i) of this section for which a broker is required to make a return of information under this section, the broker must report on Form 1099-B, Proceeds From Broker and Barter Exchange Transactions, or any successor form, the name, address, and taxpayer identification number of the customer, the property sold, the Committee on Uniform Security Identification Procedures (CUSIP) number of the security sold (if applicable) or other security identifier number that the Secretary may designate by publication in the Federal Register or in the Internal Revenue Bulletin (see § 601.601(d)(2) of this chapter), the adjusted basis of the security sold, whether any gain or loss with respect to the security sold is long-term or short-term (within the meaning of section 1222 of the Code), the gross proceeds of the sale, the sale date, and other information required by the form in the manner and number of copies required by the form. In addition, for a sale of a covered security on or after January 1, 2014, a broker must report on Form 1099-B whether any gain or loss is ordinary. See paragraph (m) of this section for additional rules related to options and paragraph (n) of this section for additional rules related to debt instruments. See paragraph (c)(8) of this section for rules related to sales of securities or sales of commodities under paragraph (a)(9)(i) of this section that are also sales of digital assets under paragraph (a)(9)(ii) of this section.

(B) Required information for digital asset transactions. Except in the case of a sale of a qualifying stablecoin or a specified nonfungible token for which the broker reports in the manner set forth in paragraph (d)(10) of this section and subject to the exception described in paragraph (d)(2)(i)(C) of this section for sales of digital

assets described in paragraph (a)(9)(ii)(D) of this section (sales effected by processors of digital asset payments), for each sale of a digital asset described in paragraph (a)(9)(ii) of this section for which a broker is required to make a return of information under this section, the broker must report on Form 1099-DA, Digital Asset Proceeds From Broker Transactions, or any successor form, in the manner required by such form or instructions the following information:

- (1) The name, address, and taxpayer identification number of the customer;
- (2) The name and number of units of the digital asset sold;
- (3) The sale date;
- (4) The gross proceeds amount (after reduction for the allocable digital asset transaction costs as defined and allocated pursuant to paragraph (d)(5)(iv) of this section);
- (5) Whether the sale was for cash, stored-value cards, or in exchange for services or other property;
- (6) In the case of a sale that is reported as a digital asset sale pursuant to the rule in paragraph (c)(8)(i) of this section and is described as a tokenized security in paragraph (c)(8)(i)(D) of this section, the broker must also report to the extent required by Form 1099-DA or instructions: the CUSIP number of the security sold (if applicable) or other security identifier number that the Secretary may designate by publication in the Federal Register or in the Internal Revenue Bulletin (see § 601.601(d)(2) of this chapter); any information required under paragraph (m) of this section (related to options); any information required under paragraph (n) of this section (related to debt instruments); and any other information required by the form or instructions;
- (7) For each such sale of a digital asset that was held by the broker in a hosted wallet on behalf of a customer and was previously transferred into an account at the broker (transferred-in digital asset), the broker must also report the date of such transfer in and the number of units transferred in by the customer;
- (8) Whether the broker took into account customer-provided acquisition information from the customer or the customer's agent as described in paragraph (d)(2)(ii)(B)(4) of this section when determining the identification of the units sold (without regard to whether the broker's determination with respect to the particular unit sold was derived from the broker's own records or from that information); and
- (9) Any other information required by the form or instructions.

(C) Exception for certain sales effected by processors of digital asset payments. A broker is not required to report any information

required by paragraph (d)(2)(i)(B) of this section with respect to a sale of a digital asset described in paragraph (a)(9)(ii)(D) of this section (sales effected by processors of digital asset payments) by a customer if the gross proceeds (after reduction for the allocable digital asset transaction costs) from all such sales of digital assets effected by that broker for the year by the customer do not exceed \$600. Gross proceeds from sales of qualifying stablecoins or specified nonfungible tokens that are reported in the manner set forth in paragraph (d)(10) of this section are not included in determining if this \$600 threshold has been met. For the rules applicable for determining who the customer is for purposes of calculating this \$600 threshold in the case of a joint account, see paragraph (d)(10)(v) of this section.

(D) Acquisition information for sales of certain digital assets. Except in the case of a sale of a qualifying stablecoin or a specified nonfungible token for which the broker reports in the manner set forth in paragraph (d)(10) of this section, for each sale described in paragraph (a)(9)(ii) of this section on or after January 1, 2026, of a covered security defined in paragraph (a)(15)(i)(H), (J), or (K) of this section that was acquired by the broker for the customer and held in the customer's account, for which a broker is required to make a return of information under paragraph (d)(2)(i)(B) of this section, the broker must also report the following information:

- (1) The adjusted basis of the covered security sold calculated in accordance with paragraph (d)(6) of this section;
- (2) The date such covered security was purchased, and whether any gain or loss with respect to the covered security sold is long-term or short-term in accordance with paragraph (d)(7) of this section;
- (3) For purpose of determining the information required in paragraphs (d)(2)(i)(D)(1) through (2) in the case of an option and any asset delivered in settlement of an option, the broker must apply any applicable rules set forth in paragraph (m) of this section; and
- (4) In the case of a sale that is reported as a digital asset sale pursuant to the rule in paragraph (c)(8)(i) of this section and is described as a tokenized security in paragraph (c)(8)(i)(D) of this section, see paragraphs (d)(6)(iii)(A)(2) and (d)(7)(ii)(A)(2) of this section regarding the basis and holding period adjustments required for wash sales, paragraph (d)(6)(v) of this section for rules regarding the application of the average basis method, paragraph (m) of this section for rules related to options, paragraph (n) of this section for rules related to debt instruments, and any other information required by the form or instructions.

