

Capital gains working paper

US tax year 2025 (1 January to 31 December 2025, UTC)

Digital assets — prepared for Form 8949 and Schedule D

This is a working paper. It is not Form 8949, not Schedule D and not a tax return. Figures are shown against the parts and column letters of the real forms so they can be transferred across. Every figure traces to the supporting workbook issued alongside this document.

Read this before you use any figure below

These figures are incomplete in ways that no total on this page can show you. Each item below either understates what you owe or overstates it, and both directions matter — an understated return is the one that gets challenged.

- Cost basis recorded as held on an exchange at the year end. Where a withdrawal could not be paired with the arrival it became, the gain on selling those coins is too high.
- Cost paid at an exchange does not automatically follow coins withdrawn to your own wallet. Moves between your own wallets do carry their cost.
- Basis is ordered per wallet on Solana and EVM chains, and pooled across self-custody addresses on Bitcoin and Sui.
- Whether any disposal falls on a different day under a US local-time reading has NOT been checked. This is not a finding of none.
- A disposal is dated on the UTC day it settled, which is a convention rather than a rule we can cite.

Each of these is set out in full, with its counts and figures, on the evidence workbook (sheet: Read first).

The items above are not footnotes. Every one of them changes a figure on this page, and the totals below are not a complete statement of your position for the year.

How to file

Report each disposal on Form 8949, then carry the totals to Schedule D (Form 1040). Digital asset disposals no broker reported go in box I (Part I, short term) or box L (Part II, long term).

The 2025 instructions say directly: “Do not use box C to report digital asset transactions. Use box I.” The same applies to box F, whose digital-asset equivalent is box L.

Exchange rows may belong in a different box.

Every row here is marked box I or L, which is right for on-chain activity. A row from an exchange file may belong in box G, H, J or K instead — check it against the Form 1099-DA that exchange sent you.

Wash sales are not applied.

A digital asset is not a security for this purpose, so a loss here is not disallowed by a repurchase within 30 days — the law as at 30 April 2026, and the opposite of the UK bed-and-breakfast rule.

Every disposal is matched first-in, first-out.

Highest-in-first-out is not offered for coins in your own wallets: it needs an identification made at the time of sale. Exchange rows under a standing instruction may lawfully use it; this paper has not asked, and applied FIFO throughout.

Basis is universal before 1 January 2025 and per wallet from it.

If you actually filed account-by-account for the earlier years, which was also permitted, this paper differs from your own returns and nothing here can know that — tell your preparer.

No safe-harbour allocation has been applied.

If you allocated unused basis across your wallets under Rev. Proc. 2024-28, this paper does not know about it and has not applied it.

Each of these is set out in full, with the statute, regulation or notice behind it, on the evidence workbook (sheet: Method).

Form 8949 Part I — short term, box I (1 line(s))

(d)	Proceeds	897.75
(e)	Cost or other basis	1,420.86
(h)	Gain or (loss)	(523.11)

Form 8949 Part II — long term, box L (4 line(s))

(d)	Proceeds	45,485.34
(e)	Cost or other basis	14,218.83
(h)	Gain or (loss)	31,266.51

Schedule D

	Net gain or (loss) on this year's disposals	30,743.40
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YOUR PRIOR-YEAR CAPITAL LOSS CARRYOVER IS NOT INCLUDED. Nothing here asks for it and nothing assumes it, so every figure above is computed as though it were nil. If you carried a capital loss into this year it reduces the gain above — possibly to nothing — and the tax these figures imply is too high by that amount. It comes from the Capital Loss Carryover Worksheet in your prior year's Schedule D instructions, lines 8 and 13 — NOT line 21 of that return, which is only the loss you were allowed to deduct that year and is capped at \$3,000.

How much of this rests on a basis we could not evidence

Cost basis is what decides your gain. Three things can weaken it here, and they are kept apart because each is fixed a different way.

	No lot funded the disposal (0 row(s))	0.00
	A lot funded it, but we could not value the lot	0.00
	Basis taken from an unclassified receipt (0 row(s))	0.00

The first is proceeds taxed in full because nothing was found to have bought the coin — most often a wallet of your own that is not connected. The second needs a price we could not find. The third is the value an asset had when it ARRIVED, not a price anybody was observed paying: better than no basis at all, but not evidence, and if the true cost was lower the gain above is understated.

Ordinary income

	Confirmed income	0.00
	Unclassified receipts — a CEILING, not income	0.00

REWARD INCOME RECEIVED ON AN EXCHANGE IS NOT IN EITHER FIGURE. Where an uploaded file marks a row as staking or reward income the units take their cost basis from it, so a later disposal is right — but no uploaded file here classified any, so the income side is not computed and is yours to declare. Nothing above is the whole of your ordinary income from digital assets.

This engine does not guess what a receipt was. An unsolicited arrival may be an airdrop, which is ordinary income under Rev. Rul. 2019-24 — or it may be your own money coming back from an exchange or a bridge, which is not income at all. Defaulting them all to income can invent ordinary income many times larger than the entire capital gain, taxed at a higher rate, on money nobody received. So the second figure is the most the receipts WE COULD VALUE would come to if every one of them turned out to be taxable. It is not a figure to file, and where receipts could not be valued at all it is not even the whole ceiling — those are listed in the workbook with no amount against them.

What this scan covered

- 1 uploaded file(s) are on your account. Exchange files ARE computed under US rules and matched against your whole history — but this count is every file you have uploaded, for any venue and any year, so it is not a count of what is in the figures above. The Sources sheet lists what each engine actually read.