



PRESS RELEASE

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DIGITAL CURRENCY INNOVATORS WELCOME REMOVAL OF DOUBLE-TAXATION BARRIER

Australia's digital currency and blockchain innovators welcome the Budget announcement that the double-taxation of digital currency payments will be removed from 1 July 2017.

"Removal of the double-taxation of digital currency transactions is an important reform that will support the faster growth of this innovative sector of the economy", said CEO of the Australian Digital Currency & Commerce Association, Nicholas Giurietto.

A similar change in Japan that took effect in April, immediately prompted the announcement by Japanese payments providers of substantial investments allowing over 250,000 Point of Sale terminals to accept digital currency payments by the end of this year.

"Importantly, it is not only digital currency businesses that will benefit from this change but the wider blockchain innovation sector", said Giurietto. "Removal of the double application of GST supports the development of smart contracts and micro-payments that will underpin new business models using blockchain technology."

ADCCA Chairman, Ron Tucker, also welcomed the changes. "The original reason that we formed ADCCA was to advocate for this much-needed change. Although, ADCCA has broadened its scope to encourage blockchain innovation more broadly, it is very pleasing to see that this first goal of our association will soon be achieved."

ADCCA has worked both formally and informally with Treasury officials to help build understanding of the digital currency and blockchain sector and to help formulate the best approach to implement this reform. "This GST reform is the first outcome of constructive engagement with government across a number of areas to support the growth of blockchain businesses in Australia", said Giurietto. "We look forward to further collaboration to boost Australia's competitiveness in this area even further."

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