HMRC internal manual

Cryptoassets Manual

From: **HM Revenue & Customs (/government/organisations/hm-revenue-customs)**

Published: 30 March 2021

Updated: 28 November 2025 - **See all updates (/hmrc-internal-manuals/cryptoassets-manual/updates)**

CRYPTO21150 - Cryptoassets for individuals: Income Tax: mining transactions

Tokens can be awarded to 'miners' for verifying additions to the blockchain digital ledger. Mining will typically involve using computers to solve difficult mathematical problems in order to generate new tokens. There is a further explanation of what mining is at CRYPTO10300 (https://www.gov.uk/hmrc-internal-manuals/cryptoassets-manual/crypto10300).

Whether such activity amounts to a taxable trade (with the tokens as trade receipts) depends on a range of factors such as:

- degree of activity
- organisation
- risk
- commerciality

If the mining activity does not amount to a trade, the pound sterling value (at the time of receipt) of any tokens awarded will be taxable as income (miscellaneous income) with any appropriate expenses reducing the amount chargeable.

For more information on miscellaneous income, see BIM100000 (https://www.gov.uk/hmrc-internal-manuals/business-income-manual/bim100000).

If the individual keeps the awarded assets, they may have to pay Capital Gains Tax when they later dispose of them.

← **Previous page**
(/hmrc-internal-manuals/cryptoassets-manual/crypto21100)

→ **Next page**
(/hmrc-internal-manuals/cryptoassets-manual/crypto21200)

OGL

All content is available under the Open Government Licence v3.0, except where otherwise stated

© Crown copyright