

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)

CRYPTO40200 - Cryptoassets for businesses: mining transactions

Cryptoassets can be awarded to ‘miners’ in return for verifying additions to the distributed ledger. Whether such activity amounts to a taxable trade (with the cryptoassets as trade receipts) will depend on the particular facts, taking into account a range of factors such as:

- degree of activity
- organisation
- risk
- commerciality

For example, using a home computer while it has spare capacity to mine tokens would not normally amount to a trade. However, purchasing a bank of dedicated computers to mine tokens for an expected net profit (taking into account the cost of equipment

and electricity) would probably constitute trading activity.

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

If the activity does amount to a trade, any profits must be calculated according to the relevant tax rules.

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

If the miner keeps the awarded assets, they may have to pay Capital Gains Tax (CGT) or Corporation Tax on Chargeable Gains (CTCG) when they later dispose of them.

← **Previous page**
([hmrc-internal-manuals/cryptoassets-manual/crypto40150](#))

→ **Next page**
([hmrc-internal-manuals/cryptoassets-manual/crypto40250](#))

