



Devcon 3: exclusive Vitalik interview, coverage and recaps.

Bitcoin Monitoring Efforts Downplayed By Treasury Secretary Steven Mnuchin

**Matthew De Silva**

November 10, 2017 3:39 PM



On Thursday, US Treasury Secretary Steven Mnuchin diplomatically addressed questions about the government's approach to bitcoin regulation and monitoring. Following the money trail, it's obvious that the Treasury Department's Bureau of the Fiscal Service and the IRS are much busier than he let on.

On November 9, 2017, US Secretary of the Treasury Steven Mnuchin delicately discussed the US government's approach toward [bitcoin](#) during a [segment](#) of his interview about tax reform with *Yahoo* Markets Correspondent Nicole Sinclair.

[Bitcoin](#) is "something we are looking at very carefully and will continue to look at," Secretary Mnuchin said tactfully. He primarily expressed concern about the use of bitcoin in criminal dealings, saying, "The first issue and the most important issue is to make sure that people can't use bitcoin for illicit activities. So we want to make sure that you don't have the dark web funded in bitcoins."

Two of the most popular dark web marketplaces, [AlphaBay](#) and [Hansa](#), were shut down in July 2017. Shortly after AlphaBay's removal, founder Alexandre Cazes, 26, was [discovered dead](#) in his jail cell – allegedly a suicide.

When pressed on Thursday about a timeline for the Treasury's official stance on bitcoin, Secretary Mnuchin said, "There's nothing specific. But we do have working groups that are looking at this. And again, [bitcoin is] something we'll be watching very carefully."

However, it's obvious that the Treasury Department is much more involved in monitoring bitcoin transactions than Secretary Mnuchin disclosed. For instance, in its [Annual Plan for Fiscal Year 2018](#), the Department of the Treasury's Office of Inspector General (OIG) listed a review of [FinCEN's virtual currency assessments](#).

"We plan to determine how [FinCEN \[Financial Crimes Enforcement Network\]](#) identifies, prioritizes, and addresses money laundering and terrorist financing risks associated with virtual currencies," wrote the OIG.

Furthermore, as *ETHNews* previously reported, over the last two years, the Treasury Department's [Bureau of the Fiscal Service](#) signed over \$90,000 worth of partnerships with Chainalysis, a [bitcoin blockchain investigation firm](#).

Additionally, the [Internal Revenue Service](#) (which functions as a bureau within the Treasury Department) recently signed a [contract with Chainalysis](#) for approximately \$124,000. The deal connects the nation's tax agency with the self-described "leading provider of Anti-Money Laundering software for Bitcoin" through September 2018.

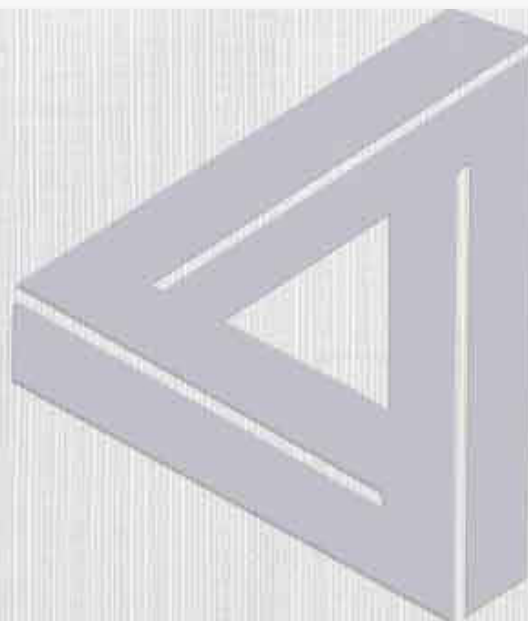
With regard to regulation, Secretary Mnuchin offered little comment, except to say, “If you’re a bitcoin dealer in the United States, you have the same know your customer [KYC] requirements and BSA [Bank Secrecy Act] requirements. And those are issues I’m discussing with all my international counterparts.”

MATTHEW DE SILVA

Matthew is a writer with a passion for emerging technology. Prior to joining ETHNews, he interned for the U.S. Securities and Exchange Commission as well as the OECD. He graduated cum laude from Georgetown University where he studied international economics. In his spare time, Matthew loves playing basketball and listening to podcasts. He currently lives in Los Angeles. Matthew is a full-time staff writer for ETHNews.

ETHNews is committed to its [Editorial Policy](#)

Like what you read? Follow us on [Twitter @ETHNews_](#) to receive the latest Steven Mnuchin, Treasury Secretary or other Ethereum law and legislation news.



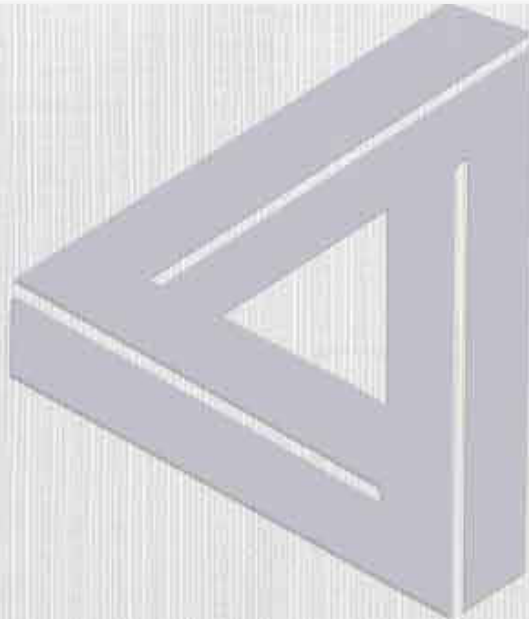
LAW AND LEGISLATION

Chainalysis Inks Government Contracts Worth Over \$700K



Matthew De Silva

Nov 10th, 2017



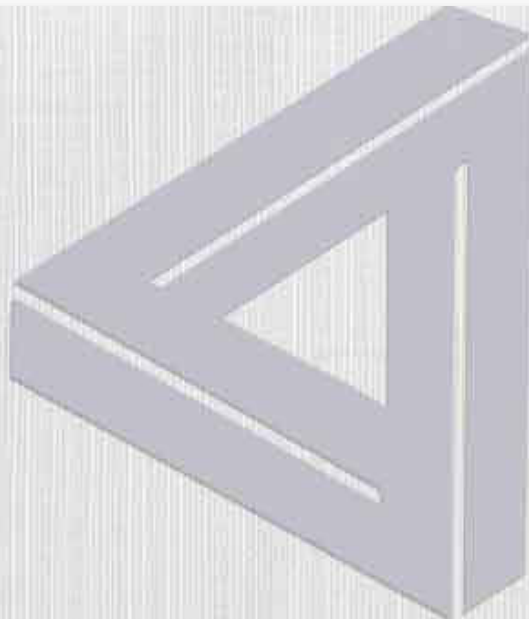
ECOSYSTEM

New Record: Over 100K Ethereum Addresses Registered On November 9



Adam Reese

Nov 10th, 2017



BUSINESS AND FINANCE

Banker Roundup: Financial Leaders Express Reservations About Non-Fiat Cryptocurrency



Matthew De Silva

Nov 9th, 2017

Share



Facebook



Twitter



Reddit



LinkedIn

CANCEL