



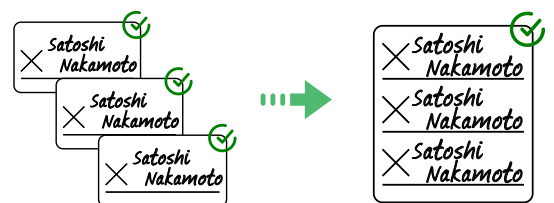
TAPROOT

A SHORT OVERVIEW OF BITCOIN'S
TAPROOT UPGRADE

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☆ Batch signature validation ☆

Validating digital signatures usually requires a lot of efforts from a computer's CPU. Now transaction signatures can be grouped together and validated as one unit, instead of one by one.



☆ Better privacy while spending ☆

bitcoin allows you to specify multiple ways to spend a coin. Prior to Taproot, all these ways had to be made public when the coin was spent. This is bad for privacy, especially for coins with unique spending rules, making them easy to identify.

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What is the Taproot Upgrade?

Taproot is a set of improvements that allow **bitcoin** to be used in a more scalable and private ways.

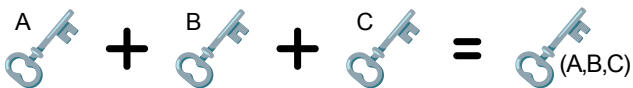
Activation date: November 2021

Block height: 709,632.

Taproot enables some cool features

☆ Key and signature aggregation (MuSig) ☆

If you have public keys A, B and C, they can be combined into one. The same is true for the corresponding signatures.



This means complex multisignature spends can look like ones that only involves 1 key.

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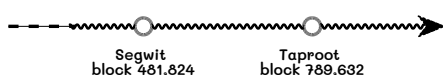
With Taproot, the only thing that needs to be public is the specific way in which a coin was spent, not all other possibilities. This means:

1. less data on the blockchain, and
2. more privacy!

Together, many features contribute to what is perhaps Taproot's most impressive use case: making many different ways of spending **bitcoin indistinguishable from one another. It doesn't matter how simple or complex the spending rules are.**

Taproot vs. SegWit

SegWit is the major upgrade that came before Taproot.



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It contains many things, including a new version field to use with transaction output scripts

For SegWit this value is set to "0" ("SegWit v0"). For Taproot, it's set to "1". This is why you'll sometimes see Taproot scripts referred to as "SegWit V1".

SegWit and Taproot are separate upgrades that result in different transaction output types. Taproot builds on the foundation SegWit created.

The Taproot Upgrade was a Soft Fork

This means the upgrade narrows consensus rules, or constrains the rules of the system. Soft forks require majority hashpower from miners but the upgrade is optional for everyone else. Any behavior that was invalid before continues to be invalid, and nodes running older version of **bitcoin** continue to be compatible with newer versions.

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