

Crypto Tax Software: Manage Your Crypto Income Like a Pro

These days, there are so many people who receive cryptocurrency as income. If you are one of these many people, you may be wondering how to best manage your crypto taxes. After all, no one can deny how managing crypto taxes is a confusing and daunting task.

It comes as no surprise that many investors can't manage their taxes without help from crypto tax software. Although we recommend [hiring a professional public accountant](#) to do it for you, tax software services can also come in handy. However, there are a few things you need to keep in mind.

We have prepared this article for you to understand what crypto tax software is and how to make the most of it.

What Is Cryptocurrency Tax Software?



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Using cryptocurrency tax software is the best option for calculating your capital gains and losses from cryptocurrency transactions. People usually use the software to prepare and file taxes for either individual or business use.

There are many different cryptocurrency tax software programs available on the market with their own features and pricing plans. But they all typically include features such as transaction tracking, portfolio management, and tax report generation.

Crypto Trader, Koinly, and TaxBit are among the options that have [characteristics of top crypto tax software](#).

How Does Cryptocurrency Tax Software Work?

Crypto tax platforms start their work by asking for access to your various cryptocurrency wallets and exchanges. The software needs all your crypto data to track your buying, selling, and trading activities accurately.

From there, the platform will provide you with a detailed report of your overall gains and losses for the year. This helps you consider [the essentials of reporting tax on cryptocurrency](#).

Cryptocurrency tax software can be a valuable tool for those users who hold large amounts of digital currency. The software can also help users maximize their deductions by taking all of their eligible expenses into account.

Who Should Use Cryptocurrency Tax Software?

As it was mentioned before, crypto tax software is a tool that can help both individual users and businesses calculate and file their taxes on cryptocurrency investments. It is beneficial for anyone who owns digital assets and wants to stay compliant with their taxes.

If you are an individual investor, the software can help you track your capital gains and losses from buying, selling, or exchanging cryptocurrencies. Then, it uses this information to determine how much tax is owed.

In addition, if you are a business owner, crypto tax software can help with calculating large numbers and paying taxes on cryptocurrency transactions.

What Are the Benefits of Using Cryptocurrency Tax Software?

You may still be wondering about the benefits of crypto tax software and whether or not to use it. Here are some of the most important benefits of using cryptocurrency tax software.

1. It can help you save time. Crypto tax software can automatically do the tax preparation process and can save you a significant amount of time.
2. By using crypto tax software, you can minimize your tax liability and potentially save yourself a lot of money.
3. Cryptocurrency tax software can help you stay organized. This type of software can keep track of your crypto transactions and make sure that everything is properly reported when tax time comes.
4. In addition, using crypto tax software can help you avoid costly mistakes. With so many rules and regulations surrounding cryptocurrency taxes, it is probable to easily make a mistake that could end up costing you money. This kind of software can help you avoid common mistakes by ensuring that all your information is accurate and up-to-date.

With all these benefits, do not hesitate to use crypto tax software and get help to rest assured that your taxes are filed correctly and efficiently.

What Are the Best Cryptocurrency Tax Software Options?



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As more and more people have understood the value of Bitcoin and other cryptocurrencies over the past years, the need for cryptocurrency tax software has also accelerated.

There are so many platforms available on the market, but in this blog, we introduce nine of the best options currently available. Keep reading to learn [which crypto tax software is best](#).

1. Koinly

Koinly is one of the most popular choices for cryptocurrency tax software which is available in more than 20 countries, including the USA, the UK, Canada, Australia, Germany, Denmark, Sweden, etc. Beginners will find it easy to use because of its user-friendly interface.

It has a free plan and allows users to connect their wallets and exchanges, view their transaction history, import their trades, and generate tax reports. The software also offers support for multiple currencies and blockchains.

Aside from its free plan, which can be used for up to 10,000 transactions, Koinly's pricings start from \$49 to \$279 per tax year.

Koinly Pricing plans:

- Free: \$0 per year
- Newbie: \$49 per tax year
- Hodler: \$99 per tax year
- Trader: \$179 per tax year
- Pro: \$279 per tax year

2. TaxBit

Another great and super safe crypto tax software is TaxBit. This software integrates with all major exchanges and wallets and offers a variety of features, such as tax loss harvesting and portfolio tracking.

TaxBit offers a free plan, but if you want to download tax forms, you need to use one of its three pricing plans. The basic plan charges only \$50 per year and allows unlimited transactions. And its pro plan, which costs \$500 per year, gives you CPA review and IRS audit support.

TaxBit Pricing plans:

- Basic: \$50 per year
- Plus: \$175 per year
- Pro: \$500 per year

3. CryptoTrader.Tax

Crypto Trader Tax, also known as Coin Ledger, is one of the other top options. It is very user-friendly and can help you calculate your taxes in a matter of minutes. This crypto tax software is suited for more advanced users and supports more than 350 different exchanges.

It is also very affordable, and its pricing plans range from \$49 to \$299, which allows you to do unlimited transactions.

One of the best options for Crypto Trader Tax is that it has a 14-day money-back guarantee.

Crypto Trader.Tax Pricing plans:

- Hobbyist: \$49 per year
- Day Trader: \$99 per year
- High Volume: \$199 per year
- Unlimited: \$299 per year

4. TokenTax

TokenTax is one of the top crypto tax software, which is great for comprehensive services. It offers a lot of features, such as live chat support for all of its plans. It can help you calculate your taxes, track your investments, and even file your return.

TokenTax's basic plan, which supports automated connections with Coinbase and Coinbase Pro, starts at \$65 and allows up to 500 transactions.

The more you pay, the more features you can get from TokenTax. For example, by paying \$199, you can get tax-loss harvesting and NFT and DeFi integration. Or if you pay \$3,499, you can get a certified public accountant (CPA.)

TokenTax Pricing plans:

- Basic: \$65 tax year
- Premium: \$199 tax year
- Pro: \$799 tax year
- VIP: \$3499 tax year

5. Ledgible

Ledgible is another top crypto tax software for a number of reasons. One of the main reasons is that it is very user-friendly and easy to navigate.

Another reason would be its wide range of features and tools, making it an ideal platform for those who are looking to file their taxes online. Moreover, Ledgible is reasonably priced, which makes it a suitable option for small businesses.

The platform is also great for professionals. Moreover, its price plan is flexible, and consumers only pay for what they need. By paying \$49 a year, you can do up to 200 transactions, and for each set of 2,500 transactions after 1,000, you only need to pay \$100.

It supports most of the top cryptocurrency exchanges and wallets, including Ledgers and Trezors.

Ledgible Pricing plans:

- \$49 tax-year: for up to 200 transactions
 - +\$50 for 200-1000 transactions
 - After 1,000 transactions, each set of 2,500 transactions will cost \$100

6. Accointing

One of the other best options for crypto tax software is Accointing. It supports a wide range of currencies, exchanges, and wallets and has a user-friendly interface, which makes it easy to use, even for those who are not familiar with tax software.

Furthermore, the software offers comprehensive features that help people track their portfolios and minimize their tax liability.

It has a free demo, and the basic plan, which supports more than 300 transactions, costs users \$79 per year. Accointing's pro plan costs \$299 per year.

Accointing Pricing plans:

- Free Tax: \$0
- Hobbyist: \$79 per year

- Trader: \$199 per year
- Pro: \$299 per year

7. ZenLedger

ZenLedger is among the top crypto tax software as it offers full support for all major exchanges and wallets. Moreover, it allows users to see their complete transaction history in one place.

ZenLedger can not be considered affordable. Although it has a free trial, the free plan is just for 25 transactions. And if you need to do more than 25 transactions, you have to pay at least \$49, and that is for just 100 transactions.

You have to pay \$999 a year to get ZenLedger's pro plan and have access to unlimited transactions.

Aside from its high pricing, ZenLedger supports over 400+ exchanges, including 100+ DeFi protocols and 10+ NFT platforms.

ZenLedger Pricing plans:

- Free: \$0
- Starter: \$49 per year
- Premium: \$149 per year
- Executive: \$399 per year
- Platinum: \$999 per year

8. Cointracking

Cointracking is one of the other top-rated crypto tax software on our list. It helps people immensely in keeping track of their investments and profits.

The software is very user-friendly and has a lot of features that are extremely helpful. These features include the ability to track your portfolio in real-time, set up price alerts, and see detailed profit/loss reports.

Cointracking supports over 110 exchanges and gives its users full tutorials through FAQs and videos.

Although the software has a free plan, this plan only supports imports from 2 wallets. But you can buy the software's pricing plans for only \$10.99 per month.

Cointracking Pricing plans:

- Free: \$0
- Pro: \$10.99
- Expert: \$16.99
- Unlimited: \$54.99
- Corporate: Contact them to get the price with its details.

9. BitcoinTaxes

And the last option on our list of top crypto tax software is BitcoinTaxes. It is a top platform with various features, such as calculating capital gains and losses, tax loss harvesting, and uploading transaction histories.

Moreover, you can take advice from tax professionals while doing your tax planning.

It has a free trial, which allows you to do up to 100 transactions. And to access the full tax preparation service, you need to pay at least \$600.

BitcoinTaxes Pricing plans:

- Free: \$0
- Premium: \$39.95 per tax year
- Premium extra: \$49.95 per tax year
- Delux: \$59.95 per tax year

Crypto Tax Software - Final Price & Plan Comparison

Crypto software	tax Pricing plan	Free trial?	Tax connections software
Koinly	Free - \$279 per year	Yes.	TurboTax, TaxAct, H&R Block.
TaxBit	\$50 - \$500 per year.	Yes.	TurboTax, TaxAct.
Crypto Trader Tax	Free - \$299 per year	Yes	TurboTax, TaxAct, H&R Block, TaxSlayer.
TokenTax	\$65 - \$3499 per year.	None advertised.	TurboTax.

Ledgible	\$49 + 5000 (for 200-1000 transactions)/ 10000 (for each set of 2500 transactions over 1000)	None advertised.	TurboTax.
Accounting	Free - \$299 per year.	Yes.	TurboTax.
ZenLedger	Free - \$999 per year.	Yes.	TurboTax.
Cointracking	Free - \$54.99 per month. + personalized plans.	Yes.	TurboTax.
BitcoinTaxes	Free - \$59.95 per year.	Yes.	TurboTax, TaxAct.

Conclusion

All in all, if you are a crypto user, it is essential to be aware of your capital gains and losses, and calculate the taxes that come along with your income.

Using top crypto tax software can help you manage your crypto income like a pro and make sure that you are prepared for the coming tax season each year. Evaluate all nine crypto tax software mentioned in this article, and decide which one can be the best option for you.

Newsletter

Dear readers of the Lorenzo Tax newsletter,

You may be among the many crypto and DeFi holders growing more and more cautious of complying with crypto taxation rules.

That's smart! In fact, The IRS is rumored to set stricter regulations on crypto taxes in the near future. So, it's only natural to be worried about staying current with crypto tax regulations.

The first thing to do is to keep track of all of your cryptocurrency transactions, including purchases, sales, and exchanges, and keep records of them so that you can easily calculate your gains and losses.

I also recommend that you get a consultation from a [Bitcoin tax professional](#) and ask all your questions about how to best manage your crypto taxes.

Thanks to the ever-advancing technology, now you also have the option to use crypto tax software. The best software ensures that you are taking all the steps required to stay compliant with the law.

The latest blog published on the Lorenzo Tax website explains the pros and cons of each crypto tax software and gives investors an insight into their price plans. Make sure you read it and get in touch if you have any questions about your NFT or crypto taxes.

(Lorenzo Abbatiello, Founder and Principal of Lorenzo Tax)

Twitter thread (1):

How much do you know about tax software? Their services, price plans, or supported coins?



Using cryptocurrency tax software is the best option for calculating your capital gains and losses from cryptocurrency transactions.

Naturally, the software needs all your crypto data to track your buying, selling, and trading activities accurately.

So, it's important that you choose one that is reliable, secure, up-to-date, and supports your wallet and exchange.

Lorenzo's latest blog post outlines the best crypto tax software options and explores their features + pricing.

The list includes:

Koinly

TaxBit

CryptoTrader.Tax

TokenTax

Ledgible

Accointing

ZenLedger

Cointracking

BitcoinTaxes

Twitter thread (2):

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It can minimize your tax liability and potentially save money

It can help you stay organized

It can help you avoid costly mistakes