

If Robinhood is altering cost basis for Apes who have transferred their shares, and a documented 4 Million apes have transferred to Fidelity alone, that is Tax Fraud on a massive scale.

By: u/bubbaganube

Archived 20/05/2021 (Day/Month/Year)

If Robinhood is altering cost basis for Apes who have transferred their shares, and a documented 4 Million apes have transferred to Fidelity alone, that is Tax Fraud on a massive scale.

Discussion

Smooth brained ape here spitballing a theory that I'm hoping some wrinkle brained accountants such as [u/atobitt](#) can look into. So far the numbers we've seen from Robinhood throwing together fractional shares at higher prices than the share holder's original purchase prices, which has upped their cost basis, and **lowers their taxes owed** to the IRS. Probably more than 10M+ apes have transferred from RH to Fidelity alone at this point but if we were to just go by the 4M transfers reported by Fidelity earlier this year, that's RH hiding MILLIONS OF DOLLARS of taxes owed to the IRS. It seems to me that if even a small fraction of apes who have a higher cost basis than they originally were to report this fuckery to the IRS by showing their original cost basis (which would be documented in emails from RH after each purchase) in comparison to the cost basis being reported with their new broker, that the IRS would work faster than any other government agency to bring these fuckers to their knees. How funny would it be that while the SEC has been watching porn while they allow this fuckery to continue that the IRS would step in and do their jobs for them. This is just a theory I have that I'm posting as a matter of discussion. Please correct me if I'm barking up the wrong tree. edit: some syntax Edit 2: this post is gaining traction pretty fast - there are many folks reporting fuckery with their cost basis in this thread, and while I think it's important that you go ahead and gather evidence if your cost basis is wrong, let's be prudent and wait until someone with real knowledge in this arena can weigh in before taking action.

<https://www.irs.gov/individuals/how-do-you-report-suspected-tax-fraud-activity>

THEORY: Robinhood is buying counterfeit shares from Citadel at inflated prices to move capital towards the mothership, trying to prevent the margin call

B: u/DerButterkex

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THEORY: Robinhood is buying counterfeit shares from Citadel at inflated prices to move capital towards the mothership, trying to prevent the margin call

Possible DD

Dear Apes,

As many of you know, there are multiple reports coming in from various ex-Robinhood apes showing at which prices their shares had to be bought and found in order to finish their transfer to other brokers.

My Theory is based on this Hypothesis: https://www.reddit.com/r/Superstonk/comments/ngx2ag/hypothesis_robinhood_is_currently_buying_the_gme/

Now from the numbers we see, RH paying upwards of 300 USD per share, we can be sure they are buying them from dark pools, not the open market as the price in the open market was multiples below the price they paid.

If Citadel is the Designated Market Maker for GME and Robinhood buys their fake-ass shares to close the CFDs they have given out, that would massively increase the on balance capital citadel has, thus making a margin call harder to pull of.

Let's try to speculate some ballpark numbers: If we estimate a SI% of 200 to 400% the total Float (2x-4x) and half of these shares are from Robinhood traders switching away, that means citadel might have been paid 1x-2x the float in shares at inflated prices of 300+ USD. Lets go with 1.5x the float for the calculation.

30.000.000*300 = 9.000.000.000 USD

- Now that's a sum and its the conservative of all calculations. Given that Robinhood severely postponed their IPO while also benefiting immensely from the crypto + stock trading volatility in Q1 of this year, its reasonable to expect they
- A. Could have that money
 - B. Are incentivised (or forced, this is not the first time they are lying) to pay this premium to keep their Nr.1 Customer
 - C. Postpone their IPO in order to delay the filing of any information regarding this shady transaction


FYI, I am just a meming europoor so if anyone has any counter thesis or even better data that would disprove my theory, let them come my way ASAP as I am just as interested as the next ape to uncover the truth, the whole truth and nothing but the truth.

TL:DR: I am SPECULATING that RH is buying counterfeit shares from Citadel to increase their capital balance. There is a motive and some proof backing up this theory, but no definitive confirmation.
As always, BUY, HODL, VOTE


EDIT 1: HOLY SHIT I got so many downvotes in the first few seconds but real upvotes are fighting back. Go Superstonk! Oh and btw, if you are still on Robinhood you're not retarded, you're just really fucking stupid.

EDIT 2: Fresh from Bloomberg: ROBINHOOD - STARTING TO ROLL OUT IPO ACCESS, A PRODUCT THAT WILL GIVE USERS OPPORTUNITY TO BUY SHARES OF COS AT THEIR IPO PRICE, BEFORE TRADING BEGINS. Ask yourself in a world where banks make money from the IPO pop and scam everyone but themselves, why would Robinhood offer customers to buy their stock at the full IPO price before the IPO? Sounds like someone is pretty afraid of shit hitting the fan on IPO day LOL

EDIT 3: Good question by fellow ape [/u/Si5584](#) . Anyone got any ideas/theories?






Si5584 · 1m


 Attempt Vote 100


Why would they need to buy fractions if that was the case? They would just buy whole shares.


Think we all just need to BUY, HOLD & VOTE (if we can). 🚀🚀🚀


 1 

 Antworten


 Auszeichnung geben

 Teilen



 Melden

 Speichern



EDIT 4: Two good worth seeing by [/u/David_BoBavid](#) and [/u/WisePhantom](#)





WisePhantom · 2m


 Voted 


There was a recent post from wrinkly brain ape [u/dlauer](#) that says even buying through a dark pool requires you to be within the NBBO. This doesn't seem to hold up in light of that info.


 1 

 Antworten


 Auszeichnung geben

 Teilen

 Melden

 Speichern

I will have to check what /u/dlauer said about this, will get back to you ASAP





David_BoBavid · 5m


I personally believe that this is unlikely due to the following:


1. The share purchases were a forced move due to GME transfers to other legitimate brokers.
2. There was upward price action last week and the beginning of this week, and today, sometimes in the realm of 10+% per day (13% on one day). That is indicative of purchases on the normal channels and not dark pools, which is something that we haven't seen in a long time. It would make more sense to me that they simply can't use fake shares to cover real shares, which is why the price went up when they had to break their own attacks to cover the transfers.


Buying GME on RH and transferring, or TRANSFERRING OUT OF RH NOW IF YOU STILL HODL GME WITH THEM (WHICH KEEPING GME WITH RH WOULD BE NOT SMART AT ALL) may still be a viable strategy to fuck them up and really do some damage.


Just a thought.


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 Antworten

 Auszeichnung geben

 Teilen

 Melden

 Speichern

Nr. 1 is what has happened and is no counter argument to my theory, in fact its the basis of it. About Nr. 2: the price increases in the open market would correlate to they prices paid by RH which it doesn't unless
I am missing something. Maybe need to find authentic shares for the transfer, in that case they might be buying them from paper hands with sell orders at 300+