

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>