

program that actually sells a certain amount of bitcoin and be able to demonstrate to their auditors and their regulators that they fully have the ability to do so. Once they establish a clearly defined strategy, they can be allowed to assume that a certain percentage of their treasury gains would be classified as operating income instead of capital gains.

Q3 2023	<u>current strategy</u>	<u>proposed strategy</u>
Revenue	76,700,000	76,700,000
Expenses (other-operating)	88,000,000	76,462,468
Net Operating Income	-11,300,000	237,532
Net Margin	-14.73%	0.31%
BOY Bitcoin Treasury deployed?	7250 no	7250 yes
BTC return	35%	35%
Elec Costs	88,000,000	76,462,468
Cap Gain	22,938,741	10,836,847
EOY Bitcoin Treasury	7250	5,976
BTC Deployed	0	1,274

Fig. 8. Author's calculations based on the accounts of a large bitcoin mining company

To illustrate how a company could do this, I used a large bitcoin mining company that holds a BTC treasury from their mining operations. In Q3 of 2023, the company (from public filings) had \$76 million of revenue from its operations. We can presume this all to be operating revenue. They reported