Crypto is Not About Tax Evasion; It's About Collecting Decentralized Tax Efficiently

A Presentation on Blockchain-Based Taxation and Economic Growth

Mainstream Narrative vs Reality

Misconception

Cryptocurrency is often labeled as a tool for tax evasion and illicit activities.

Reality

Cryptocurrency facilitates efficient, decentralized, and automated tax collection through:

- ▶ Smart contracts
- ▶ Transaction fees
- ▶ Controlled inflation

How Decentralized Taxation Works

1. **Transaction Costs:**
   - Every blockchain transaction incurs a fee.
   - These fees contribute to a public treasury automatically.
2. **Controlled Inflation:**
   - New tokens are minted with a small percentage directed toward public spending.
   - Eliminates arbitrary fiat money printing.

Benefits:

- Transparent taxation
- Reduced corruption
- Efficient fund distribution via smart contracts

Crypto, GDP Growth, and Velocity of Money

Key Factors

Cryptocurrency increases the velocity of money by:
- Enabling faster transactions (instant cross-border transfers)
- Lowering transaction costs
- Promoting decentralized wealth distribution

Impact on GDP

- Faster economic activity leads to higher GDP growth.
- Levels the playing field for fairer economic opportunities.

India's Urgent Need for Decentralization

Current Policies

- ▶ 30% tax on crypto profits discourages innovation.
- ▶ Upcoming surveillance measures include access to social media, emails, bank accounts, and trading platforms.

Consequences

- ▶ Drives talent and capital out of India.
- ▶ Undermines privacy and trust in governance.

Government Transparency and Accountability

Issues

- ▶ 3,600 crore spent on self-promotion ads.
- ▶ Electoral Bonds scheme hides political donations.
- ▶ Wilful defaulters owe 1.96 trillion to banks.

Proposed Solutions

- ▶ Implement decentralized tax collection using blockchain.
- ▶ Reduce government waste and prioritize public investment.
- ▶ Increase transparency in political funding.
- ▶ Hold corporates and billionaires accountable.

Conclusion

- Cryptocurrency enables efficient, fair, and transparent tax collection.
- India must embrace blockchain technology to unlock its economic potential.
- Focus on government accountability rather than citizen surveillance.

Together, we can build a fairer economy and ensure financial freedom for all.