

Title: If you can prove SHFSs are not paying taxes (bankruptcy jackpot), I can argue they should and might know the loophole being exploited

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Permalink: /r/DDintoGME/comments/ph7euo/if\_you\_can\_prove\_shfss\_are\_not\_paying\_taxes/

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I posted this yesterday, which clearly says when the stock is worthless I should treat it as if it closed at 0 and realize the gain. [[https://www.reddit.com/r/DDintoGME/comments/pgnmle/per\\_the\\_irs\\_i\\_have\\_to\\_pay\\_taxes\\_if\\_i\\_short\\_a/](https://www.reddit.com/r/DDintoGME/comments/pgnmle/per_the_irs_i_have_to_pay_taxes_if_i_short_a/)]([https://www.reddit.com/r/DDintoGME/comments/pgnmle/per\\_the\\_irs\\_i\\_have\\_to\\_pay\\_taxes\\_if\\_i\\_short\\_a/](https://www.reddit.com/r/DDintoGME/comments/pgnmle/per_the_irs_i_have_to_pay_taxes_if_i_short_a/))

I spoke with my broker and they confirmed that if I never call to close my position (if shorting a stock to bankruptcy) it'll never be reported by them to the IRS and the position is open. \*\*Therefore, it is my responsibility to do the right thing and declare it worthless and realize my gains, but my broker will not inform the IRS.\*\*

Please reach out to your brokers and ask to see if all follow the same approach

Also, if one of you smart apes can prove taxes are not paid (or paid) that would be terrific.

Edit1: I meant to include this from a house committee meeting (page 1251/page 3 of the section 1st new paragraph on the page)

[<https://babel.hathitrust.org/cgi/pt?id=mdp.39015087623214&view;=1up&seq;=1251>](<https://babel.hathitrust.org/cgi/pt?id=mdp.39015087623214&view;=1up&seq;=1251>)

" If the price should decline to zero because the stock has become worthless, then the investor may get all his or her money out incash \*\*without ever purchasing back the stock to close out the short position\*\* . "

Edit2: I've been asked to create a posted on superstonk - [[https://www.reddit.com/r/Superstonk/comments/phk7ox/the\\_irs\\_might\\_be\\_entering\\_the\\_chat/](https://www.reddit.com/r/Superstonk/comments/phk7ox/the_irs_might_be_entering_the_chat/)]([https://www.reddit.com/r/Superstonk/comments/phk7ox/the\\_irs\\_might\\_be\\_entering\\_the\\_chat/](https://www.reddit.com/r/Superstonk/comments/phk7ox/the_irs_might_be_entering_the_chat/))