

## DAC 8 - MANDATORY DISCLOSURE OF INFORMATION ON CRYPTO-ASSETS

*On December 8 2022, the European Commission published a proposal by which crypto-asset or e-money service institutions become obligated to share the crypto assets of their users to European tax authorities.*

### DAC 8

When implemented, DAC 8 will be the seventh revision of the European Directive on Administration Cooperation (DAC). As a result of this directive, reportable entities/persons are obligated to exchange information regarding taxpayers to tax authorities within the EU. This information is then also shared with other tax authorities within the EU. For example, as result of DAC 2, financial institutions within the EU are obligated to exchange information with regard to account holders. With the emergence of crypto-assets and e-money, DAC 8 is intended to modernize the scope of the current directive.

### SCOPE

Following DAC 8, crypto-asset service providers such as crypto exchanges will be obligated to carry out know-your-client due diligence procedures with EU-clients, regardless if they themselves are located in a European jurisdiction. The proposal describes EU-clients as individuals or entities making use of crypto-asset service providers. Furthermore, crypto-asset service providers have to exchange information regarding domestic and cross-border exchanges transactions and transfers of reportable crypto-assets with the relevant tax authorities.

### NEXT STEPS

The commission proposed for the directive to be applied as of January 1, 2026. A public consultation period of 8 weeks started on December 8, 2022, where stakeholders can give feedback on the proposal.



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