

Aprio Blockchain Services

MANAGE THE FINANCE AND TAX COMPLEXITIES OF BLOCKCHAIN VENTURES WITH APRIO

Across industries visionary CEOs are turning to the blockchain to reinvent the nature of commercial transactions and increase the value of their businesses. Moving beyond the hype and promise, those already in the blockchain and those considering entrance, need to understand their regulatory, tax and accounting obligations to manage risk and safeguard value.

Aprio, LLP has been providing tax, audit and consulting services to companies on the blockchain for more than five years. This experience has enabled us to develop accounting and financial reporting best practices that help companies navigate the domestic and international accounting and tax obstacles associated with tokenization, initial coin offerings and cryptocurrency. Let Aprio help you maximize the value of your blockchain ventures.

Blockchain expertise and guidance to build value:

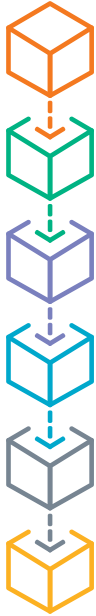
More than 80 percent of Aprio's technology clients are international businesses. Let us handle the complex domestic and global tax and accounting challenges that arise from your international token sales. From entity structure to implementing tax strategy, Aprio can help you:



- Understand the tax and GAAP consequences of your token sale
- Recognize revenue for tax and GAAP from your token sale
- Understand how ASC 606, *Revenue from Contracts with Customers*, will impact your net income and KPIs such as EBITA, for reporting periods after the mandatory private company adoption deadline of Dec. 15, 2018
- Account for incoming and outgoing cryptocurrencies and tokens
- Determine whether the issuance in exchange for cryptocurrencies or fiat should be recognized as revenue, liability or equity
- Implement the best approach to track crypto-transactions and calculate realized and unrealized gain/loss for tax and GAAP purposes
- Account for the tax and GAAP consequences of transferring virtual currency to your employees and non-employees
- Determine if your company is eligible for a reduced tax rate if you sell tokens to non-U.S. buyers



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- Determine if you qualify for the new Foreign-Derived Intangible Income (FDII) deduction
- Reduce your U.S. effective corporate tax rate on U.S. R&D initiatives with state and federal R&D tax credits
- Save significant income tax by adjusting your fiscal year end
- Understand the cost and benefits of doing your token sale as an LLC versus a C-corporation
- Understand the tax consequences for U.S. controlled foreign corporation's participation in a token sale
- Position foreign subsidiaries participating in token sales for U.S. income tax purposes
- Address consolidation requirements under the Variable Interest Entity (VIE) rules
- Understand how the new Tax Cuts and Jobs Act provisions, such as GILTI and FDII will impact your foreign corporation's token sale

About Aprio

As a premier, CPA-led professional services firm, Aprio delivers advisory, assurance, tax and private client services to build value, drive growth, manage risk and protect wealth. Aprio serves individuals and businesses, from promising startups to market leaders alike.

Aprio.com



420+
Team
Members



Clients in
40+
Countries



25+
Languages
Spoken

Information assurance and risk management services

Your business model depends on the security and resiliency of your transaction processing, including the integrity of the smart contract embedded in your blockchain based processing. As part of their due diligence, potential customers and partners will need independent assurance that your risk management meets their operational and compliance risk management requirements. Aprio helps you meet these requirements through comprehensive risk assessment and assurance and certification reporting, including GDPR, SOC 2, PCI, ISO 27001 and other leading protocols.

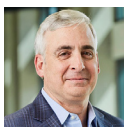
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