WYOMING LEGISLATIVE SERVICE OFFICE

Memorandum

DATE August 15, 2025

TO Select Committee on Blockchain, Financial Technology, and Digital Innovation Technology

FROM Dalton Quilty, LSO Associate Fiscal Analyst

SUBJECT State Examples of Allowing Use of Cryptocurrency to Pay State Taxes or Fees

Purpose: This memorandum provides background for three states—Colorado, Louisiana, and Utah—that have allowed the use of cryptocurrency or other digital assets to remit payment for some state taxes or fees. The background includes key policy decisions, enacted legislation, and rules promulgated by each state's revenue department, where applicable.

For ease of comparison, the three chosen states identified as accepting cryptocurrency are listed in **Table 1** along with each state's high-level policies surrounding digital currencies. Staff compiled the summary information based upon the states' revenue department's web pages, identified legislation, press releases, as well as the information available on the third-party websites facilitating the cryptocurrency transactions.

Table 1. Comparison of States Currently Accepting Cryptocurrency for State Payments.

	Colorado	Utah	Louisiana
How was it implemented?	Policy decision and broad legislation	Legislative bill	Policy decision and broad legislation
Who announced policy change?	Governor	Legislature	State Treasurer
Date State began accepting cryptocurrency	September 1, 2022	July 1, 2022	September 17, 2024
Conversion of cryptocurrency to U.S. dollars (USD)?	Yes	Yes	Yes
Third-party used for conversion	PayPal	PayPal	BeadPay
When is the value of the digital currency determined?	At the time of purchase / sale	At the time of purchase / sale	At the time of purchase / sale
What can be paid?	All state taxes	State individual income taxes	All state services**
Can partial payments be made using cryptocurrency?	No	No	No
Can one transaction use more than one source of cryptocurrency?	No	No	No

How are refunds paid?	USD only	USD only	USD only
Louisiana announced the intent to allow collections via cryptocurrency for all state services but has only done so for the Department of Fish and Wildlife. (See **Attachment 5.)			

Source: LSO staff summary of Colorado, Louisiana, and Utah state law, Departments of Revenue information, and press releases.

Although these states accept payment in cryptocurrency, the funds deposited into the state's accounts are converted to United States Dollars (USD) through a third-party that facilitates the transaction. According to the press release issued by the State Treasurer of Louisiana, this allows for the State to mitigate the risk associated with the market volatility of cryptocurrency.[1] Utah State Representative Teuscher, in introducing Utah's bill to allow for cryptocurrency to be accepted for state tax payments, and Colorado Department of Revenue's Daniel Carr, referring to the change, offered similar reasoning.[2, 3] Due to the volatility in cryptocurrencies, all three states decided to use third-party companies to mitigate the risk to the State in accepting and holding these assets. None of the three states hold or maintain any cryptocurrencies received as payment.

Colorado

Colorado began accepting payments in cryptocurrency for all state taxes starting September 1, 2022. While there is no single policy or piece of legislation that specifically provided for this acceptance, the Colorado Legislature approved Senate Bill 19-023 on March 6, 2019, which helped establish the framework in which this policy was able to be implemented. (See **Attachment 1.**) The bill provided exemptions to Colorado securities law, carving out exemptions to not require a securities license for individuals who purchase, sell, or transfer cryptocurrency, provided certain standards are met. One key requirement was that the cryptocurrency be used for consumptive purposes, such as purchasing goods and services, rather than solely for investment. The conclusion reached by the Colorado Legislature is this legislation will protect consumers and expand Colorado business.[4] Additionally, building off the framework established by the Legislature, Governor Jared Polis announced his intentions to authorize the use of cryptocurrencies for state tax payments in 2022.[5] In conjunction with the announcement, the Colorado Department of Revenue developed a payment system to accept cryptocurrency.

Colorado partnered with PayPal to collect and convert the cryptocurrency into USD. Colorado charges a service fee to complete the conversion of $1 dollar plus 1.83 percent of the payment amount on any cryptocurrency used. The multi-step transaction process begins with the taxpayer having the appropriate amount of digital assets to cover the entirety of the tax, obligation, or fee in a single type of cryptocurrency. PayPal then sells the cryptocurrency, converts it to USD, and transfers the funds to the State to complete the transaction. The conversion occurs nearly instantaneously, based on the market price at the time of the transaction. If a tax refund is due to an individual that paid using cryptocurrency, it is issued in USD. Full details regarding payments with cryptocurrency are available at the Colorado Department of Revenue's website,[6] with a Frequently Asked Questions page regarding cryptocurrency included as **Attachment 2.**

[1] See Attachment 5.
[2] Utah State Legislature, Floor Streaming, General Session – Day 41, **https://le.utah.gov/av/floorArchive.jsp?markerID=118958** [Accessed; August 8, 2025.]
[3] Judith Kohler, Denver Post, "Colorado accepts cryptocurrency to pay taxes, moving the state 'tech forward,'" **https://www.denverpost.com/2022/09/21/colorado-accepts-cryptocurrency-taxes/** [Accessed; August 8, 2025.]
[4] Colorado Revised Statutes 11-51-308.7, II(C).
[5] Ibid.
[6] Colorado Department of Revenue, Cryptocurrency, **https://tax.colorado.gov/cryptocurrency** [Accessed; August 8, 2025.]

Utah

During the 2022 General Session the Utah Legislature adopted 2022 House Bill 0456 effective July 1, requiring the Division of Finance to contract a third-party to accept payments in the form of digital assets. (See **Attachment 3.**) Subsequent to the passage of this bill, the Utah State Tax Commission (Commission) authorized the payment of only individual income taxes using cryptocurrency. Unlike the other two example states, Utah is the only state with specific legislation mandating the acceptance of cryptocurrencies.

Like Colorado, Utah also partnered with PayPal to collect and convert the digital assets into USD using a similar or identical process. The cryptocurrency is sold at the time of the transaction at the current market value, converted to USD, and sent to the Commission. Utah also charges a fee for the service and a fee for PayPal. However, unlike Colorado, the fee rate is based on the amount of cryptocurrency being converted to USD. There is a 2.2 percent fee for transactions under $75 dollars, 2.0 percent for transactions between $75 and $200, 1.8 percent for any over $200 to $1,000 dollars, and a 1.5 percent fee for any transaction over $1,000 dollars. Also, like Colorado, refunds are issued in USD regardless of the original payment method. This is detailed on the Commission's website under payment fees and on PayPal's fees page.[7, 8]

Louisiana

Louisiana is the third and final example state to announce acceptance of cryptocurrency for State services. The Louisiana Legislature passed 2024 House Bill 488 on June 19, 2024. (See **Attachment 4.**) This bill established regulations surrounding blockchain technology and mining. Like Colorado's legislation, it provided regulatory framework that enabled future policy development but did not specifically provide for the acceptance of cryptocurrency like Utah's legislation. On September 24, 2024, a press release from the State Treasure announced Louisiana's intentions to allow payments for state services using cryptocurrency, and that the Louisiana Department of Wildlife and Fisheries (DWF) had already successfully received a payment. (See **Attachment 5.**) Louisiana, like the other two states, uses a third party to facilitate these transactions, in this case, BeadPay. The system operates nearly identical to PayPal, with cryptocurrency being converted at the time of purchase. There are fees associated with these transactions; however, they are customized to the entity using this payment method and are not publicly available.[9] Upon researching where and how these payments can be made, LSO staff discovered no agency in Louisiana lists digital assets as an option to pay on their websites. LSO reached out to the State Treasurer and was told the only Department that currently accepts payment via digital asset is the Louisiana DWF. Louisiana DWF informed LSO that it is currently possible to pay for fees with cryptocurrency and, as the press release stated, they have successfully processed a transaction using cryptocurrency.

In conclusion, at least three states—Colorado, Utah, and Louisiana—have authorized the use of cryptocurrency as a method of payment for taxes or fees. None of the states identified hold cryptocurrencies in digital asset form. The cryptocurrencies are converted to USD through a third-party service that is subject to fees prior to reaching the State. Each state's payment processing is nearly identical using either PayPal or BeadPay, but the Utah Legislature has expanded the fee structure based on the amount of USD conversion. Additionally, all three specify that if a refund is due, it will be paid back in USD rather than a cryptocurrency.

Please feel free to reach out with any questions.

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[7] Utah State Tax Commission, Payment Fees, **https://tax.utah.gov/billing/payment-fees** [Accessed; August 8, 2025.]

[8] PayPal, PayPal Consumer Fees, **https://www.paypal.com/us/digital-wallet/paypal-consumer-fees** [Accessed; August 8,2025]

[9] Bead, Frequently Asked Questions, **https://bead.xyz/#faq** [Accessed; August 9, 2025.]

Attachment 1



SENATE BILL 19-023

BY SENATOR(S) Tate and Fenberg, Bridges, Fields, Hill, Lundeen, Marble, Priola, Rankin, Scott, Todd, Woodward, Garcia;
also REPRESENTATIVE(S) Kraft-Tharp and McKean, Bird, Melton, Roberts, Singer, Titone, Valdez A., Williams D.

CONCERNING EXEMPTIONS FROM THE SECURITIES LAWS FOR CRYPTOCURRENCIES, AND, IN CONNECTION THEREWITH, ENACTING THE "COLORADO DIGITAL TOKEN ACT".

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 11-51-308.7 as follows:

11-51-308.7. Colorado digital token act - legislative declaration - exemptions - definitions - rules. (1) **Short title.** THE SHORT TITLE OF THIS SECTION IS THE "COLORADO DIGITAL TOKEN ACT".

(2) **Legislative declaration.** THE GENERAL ASSEMBLY:

(a) FINDS THAT:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

Attachment 1

(I) CRYPTOECONOMIC SYSTEMS, WHICH ARE PROTOCOLS THAT GOVERN THE PRODUCTION, DISTRIBUTION, AND CONSUMPTION OF GOODS AND SERVICES IN A DECENTRALIZED DIGITAL ECONOMY, CAN BE AN IMPORTANT COMPONENT OF BLOCKCHAIN TECHNOLOGY;

(II) BLOCKCHAIN TECHNOLOGY HAS THE POTENTIAL TO CREATE NEW FORMS OF DECENTRALIZED "WEB 3.0" PLATFORMS AND APPLICATIONS THAT HAVE ADVANTAGES OVER THE CURRENT CENTRALIZED INTERNET PLATFORMS AND APPLICATIONS;

(III) COLORADO HAS BECOME A HUB FOR COMPANIES AND ENTREPRENEURS THAT SEEK TO UTILIZE CRYPTOECONOMIC SYSTEMS TO POWER BLOCKCHAIN TECHNOLOGY-BASED BUSINESS MODELS;

(IV) COMPANIES THAT SEEK TO UTILIZE CRYPTOECONOMIC SYSTEMS FACE REGULATORY UNCERTAINTY THAT THE ISSUANCE, SALE, AND PURCHASE OF DIGITAL TOKENS THAT HAVE A PRIMARILY CONSUMPTIVE PURPOSE MAY BE PROHIBITED UNDER THIS ARTICLE 51;

(V) CROWDFUNDING CONSUMER GOODS PLATFORMS PROVIDE A MEANS FOR COMPANIES AND ENTREPRENEURS TO ACQUIRE GROWTH CAPITAL AND CUSTOMERS BY PRESELLING THE RIGHT TO RECEIVE CONSUMER GOODS BEFORE THE GOODS ARE READY TO BE SOLD OR USED, IN ADDITION TO PROVIDING A MARKETPLACE FOR THE PURCHASE AND SALE OF CONSUMER GOODS THAT ARE READY FOR USE;

(VI) COMPANIES USING CRYPTOECONOMIC SYSTEMS THAT SEEK TO ACQUIRE GROWTH CAPITAL AND CUSTOMERS BY PRESELLING DIGITAL TOKENS THAT HAVE A PRIMARILY CONSUMPTIVE PURPOSE FACE REGULATORY UNCERTAINTY THAT THE OFFER, SALE, OR TRANSFER OF DIGITAL TOKENS MAY BE PROHIBITED UNDER THIS ARTICLE 51; AND

(VII) COMPANIES THAT SEEK TO CREATE A MARKETPLACE TO EFFECT THE PURCHASE, SALE, OR TRANSFER OF DIGITAL TOKENS THAT HAVE A PRIMARILY CONSUMPTIVE PURPOSE FACE REGULATORY UNCERTAINTY THAT EFFECTING OR ATTEMPTING TO EFFECT THE PURCHASE, SALE, OR TRANSFER OF A DIGITAL TOKEN MAY BE PROHIBITED UNDER THIS ARTICLE 51;

(b) DETERMINES THAT:

(I) THE COSTS AND COMPLEXITIES OF STATE SECURITIES REGISTRATION CAN OUTWEIGH THE BENEFITS TO COLORADO BUSINESSES USING CRYPTOECONOMIC SYSTEMS THAT SEEK TO RAISE GROWTH CAPITAL AND CREATE NEW DECENTRALIZED INTERNET PLATFORMS AND APPLICATIONS BY OFFERING THE SALE OR TRANSFER OF DIGITAL TOKENS THAT HAVE A PRIMARILY CONSUMPTIVE PURPOSE;

(II) COMPANIES THAT SEEK TO ISSUE OR EFFECT THE PURCHASE, SALE, OR TRANSFER OF DIGITAL TOKENS THAT HAVE A PRIMARILY CONSUMPTIVE PURPOSE FACE REGULATORY UNCERTAINTY UNDER COLORADO'S SECURITIES LAWS; AND

(III) THE ISSUANCE, SALE, PURCHASE, AND TRANSFER OF DIGITAL TOKENS THAT HAVE A PRIMARILY CONSUMPTIVE PURPOSE ALLOW COMPANIES USING CRYPTOECONOMIC SYSTEMS TO ACCESS THE GROWTH CAPITAL AND BUILD THE NECESSARY NETWORK OF PARTICIPANTS THEY NEED TO GROW AND EXPAND THEIR BUSINESSES; AND

(c) DECLARES THAT CREATING A COLORADO DIGITAL TOKEN ACT, WITH LIMITATIONS TO PROTECT CONSUMERS, WILL ENABLE COLORADO BUSINESSES THAT USE CRYPTOECONOMIC SYSTEMS TO OBTAIN GROWTH CAPITAL TO HELP GROW AND EXPAND THEIR BUSINESSES, THEREBY PROMOTING THE FORMATION AND GROWTH OF LOCAL COMPANIES AND THE ACCOMPANYING JOB CREATION AND HELPING MAKE COLORADO A HUB FOR COMPANIES THAT ARE BUILDING NEW FORMS OF DECENTRALIZED "WEB 3.0" PLATFORMS AND APPLICATIONS.

(3) **Exemptions.** (a) **Issuer exemption.** AN OFFER OR SALE OF A DIGITAL TOKEN IS EXEMPT FROM SECTION 11-51-301 IF:

(I) THE OFFER OR SALE:

(A) OCCURS AFTER THE SECURITIES COMMISSIONER INITIALLY PROMULGATES RULES TO IMPLEMENT THIS SECTION; AND

(B) COMPLIES WITH ALL OF THE REQUIREMENTS OF THIS SUBSECTION (3)(a) AND THOSE CONTAINED IN THE RULES PROMULGATED PURSUANT TO SUBSECTION (5) OF THIS SECTION;

(II) THE ISSUER OF THE DIGITAL TOKEN FILES A NOTICE OF INTENT

WITH THE SECURITIES COMMISSIONER AS SPECIFIED IN SUBSECTION (3)(c) OF THIS SECTION;

(III) THE PRIMARY PURPOSE OF THE DIGITAL TOKEN IS A CONSUMPTIVE PURPOSE;

(IV) THE ISSUER OF THE DIGITAL TOKEN MARKETS THE DIGITAL TOKEN TO BE USED FOR A CONSUMPTIVE PURPOSE AND DOES NOT MARKET THE DIGITAL TOKEN TO BE USED FOR A SPECULATIVE OR INVESTMENT PURPOSE; AND

(V) EITHER THE CONSUMPTIVE PURPOSE OF THE DIGITAL TOKEN IS AVAILABLE AT THE TIME OF SALE OR ALL OF THE FOLLOWING CONDITIONS ARE MET:

(A) THE CONSUMPTIVE PURPOSE OF THE DIGITAL TOKEN IS AVAILABLE WITHIN ONE HUNDRED EIGHTY DAYS AFTER THE TIME OF SALE OR TRANSFER OF THE DIGITAL TOKEN;

(B) THE INITIAL BUYER IS PROHIBITED FROM RESELLING OR TRANSFERRING THE DIGITAL TOKEN UNTIL THE CONSUMPTIVE PURPOSE OF THE DIGITAL TOKEN IS AVAILABLE; AND

(C) THE INITIAL BUYER PROVIDES A KNOWING AND CLEAR ACKNOWLEDGMENT THAT THE INITIAL BUYER IS PURCHASING THE DIGITAL TOKEN WITH THE PRIMARY INTENT TO USE THE DIGITAL TOKEN FOR A CONSUMPTIVE PURPOSE AND NOT FOR A SPECULATIVE OR INVESTMENT PURPOSE.

(b) **Licensing exemption.** A PERSON THAT ENGAGES IN THE BUSINESS OF EFFECTING OR ATTEMPTING TO EFFECT THE PURCHASE, SALE, OR TRANSFER OF A DIGITAL TOKEN IS EXEMPT FROM SECTION 11-51-401 IF:

(I) THE PERSON:

(A) EFFECTS OR ATTEMPTS TO EFFECT THE PURCHASE, SALE, OR TRANSFER AFTER THE SECURITIES COMMISSIONER INITIALLY PROMULGATES RULES TO IMPLEMENT THIS SECTION; AND

(B) COMPLIES WITH ALL OF THE REQUIREMENTS OF THIS SUBSECTION

(3)(b) AND THOSE CONTAINED IN THE RULES PROMULGATED PURSUANT TO SUBSECTION (5) OF THIS SECTION;

(II) THE PERSON FILES A NOTICE OF INTENT WITH THE SECURITIES COMMISSIONER AS SPECIFIED IN SUBSECTION (3)(c) OF THIS SECTION;

(III) THE DIGITAL TOKEN CAN BE USED FOR A CONSUMPTIVE PURPOSE AT THE TIME THE PERSON EFFECTS THE PURCHASE, SALE, OR TRANSFER OF THE DIGITAL TOKEN; AND

(IV) THE PERSON TAKES REASONABLY PROMPT ACTION TO CEASE EFFECTING THE PURCHASE, SALE, OR TRANSFER OF ANY DIGITAL TOKEN THAT DOES NOT CONFORM TO THE REQUIREMENTS OF THIS SUBSECTION (3)(b).

(c) AN ISSUER OF A DIGITAL TOKEN AND A PERSON THAT IS ENGAGED IN THE BUSINESS OF EFFECTING OR ATTEMPTING TO EFFECT THE PURCHASE, SALE, OR TRANSFER OF A DIGITAL TOKEN EACH SHALL FILE OR CAUSE TO BE FILED A NOTICE OF INTENT WITH THE SECURITIES COMMISSIONER BEFORE THE ISSUER OR OTHER PERSON MAY QUALIFY FOR AN EXEMPTION UNDER THIS SECTION. THE SECURITIES COMMISSIONER SHALL MAKE A FORM AVAILABLE FOR THIS PURPOSE ON ITS WEBSITE. IF THE INFORMATION CONTAINED ON THE NOTICE REQUIRED BY THIS SUBSECTION (3)(c) BECOMES INACCURATE IN ANY MATERIAL RESPECT FOR ANY REASON, THE ISSUER OR OTHER PERSON SHALL FILE AN AMENDMENT TO THE NOTICE IN WRITING WITH THE SECURITIES COMMISSIONER WITHIN THIRTY DAYS.

(d) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 3, THE SECURITIES COMMISSIONER MAY ENTER INTO AGREEMENTS WITH FEDERAL, STATE, OR FOREIGN REGULATORS TO ALLOW DIGITAL TOKENS ISSUED, PURCHASED, SOLD, OR TRANSFERRED IN THIS STATE TO BE ISSUED, PURCHASED, SOLD, OR TRANSFERRED IN ANOTHER JURISDICTION AND ANY DIGITAL TOKENS ISSUED, PURCHASED, SOLD, OR TRANSFERRED IN ANOTHER JURISDICTION TO BE ISSUED, PURCHASED, SOLD, OR TRANSFERRED IN THIS STATE.

(4) **Definitions.** AS USED IN THIS SECTION:

(a) "CONSUMPTIVE PURPOSE" MEANS TO PROVIDE OR RECEIVE GOODS, SERVICES, OR CONTENT, INCLUDING ACCESS TO GOODS, SERVICES, OR CONTENT.

(b) "DIGITAL TOKEN" MEANS A DIGITAL UNIT THAT IS:

(I) CREATED:

(A) IN RESPONSE TO THE VERIFICATION OR COLLECTION OF A SPECIFIED NUMBER OF TRANSACTIONS RELATING TO A DIGITAL LEDGER OR DATABASE;

(B) BY DEPLOYING COMPUTER CODE TO A BLOCKCHAIN NETWORK THAT ALLOWS FOR THE CREATION OF DIGITAL TOKENS OR OTHER UNITS; OR

(C) USING ANY COMBINATION OF THE METHODS SPECIFIED IN SUBSECTIONS (4)(b)(I)(A) AND (4)(b)(I)(B) OF THIS SECTION;

(II) RECORDED IN A DIGITAL LEDGER OR DATABASE THAT IS CHRONOLOGICAL, CONSENSUS-BASED, DECENTRALIZED, AND MATHEMATICALLY VERIFIED IN NATURE, ESPECIALLY RELATING TO THE SUPPLY OF UNITS AND THEIR DISTRIBUTION; AND

(III) CAPABLE OF BEING TRADED OR TRANSFERRED BETWEEN PERSONS WITHOUT AN INTERMEDIARY OR CUSTODIAN OF VALUE.

(5) **Rules.** THE SECURITIES COMMISSIONER MAY ADOPT RULES AS NECESSARY TO IMPLEMENT THIS SECTION, TO ENFORCE THIS SECTION, OR TO PROVIDE EXEMPTIONS OR WAIVERS TO THE REQUIREMENTS OF THIS SECTION.

(6) **Safe Harbor.** NO PRESUMPTION SHALL ARISE THAT AN ISSUER OF ANY DIGITAL TOKEN OR OTHER CRYPTOCURRENCY, OR ANY PERSON THAT EFFECTS THE PURCHASE, SALE, OR TRANSFER OF ANY DIGITAL TOKEN OR OTHER CRYPTOCURRENCY, HAS VIOLATED THIS ARTICLE 51 SOLELY BY REASON OF THE PERSON'S PARTICIPATION IN THE ISSUANCE, PURCHASE, SALE, OR TRANSFER OF THE DIGITAL TOKEN OR OTHER CRYPTOCURRENCY IF THE PERSON DOES NOT MEET THE REQUIREMENTS SPECIFIED IN SUBSECTION (3)(a) OR (3)(b) OF THIS SECTION. NO PRESUMPTION SHALL ARISE THAT ANY ISSUER'S SECURITIES OFFERING PERMITTED UNDER THIS ARTICLE 51 WILL BE INTEGRATED WITH ANY ISSUER'S DIGITAL TOKEN OFFERING PERMITTED UNDER THIS SECTION.

SECTION 2. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following

the expiration of the ninety-day period after final adjournment of the general assembly (August 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to conduct occurring on or after the applicable effective date of this act.

Leroy M. Garcia
PRESIDENT OF
THE SENATE

KC Becker
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED March 6th, 2019 at 2:52 P.M.
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO

Attachment 2

COLORADO
Department of Revenue

1. **Can I use a different cryptocurrency wallet other than PayPal to pay my taxes?**
   No; at this time, this service will only allow you to pay your individual income tax payments with cryptocurrency using PayPal.

2. **Are there any fees with using this service?**
   Yes. This online service is provided by a 3rd party working in Partnership with the state of Colorado. The price includes a service fee of $1.00 plus 1.80% of the order total for cryptocurrency payments. If you purchase cryptocurrency on PayPal, a fee applies (click here for more information on fees for buying cryptocurrency on PayPal) and if you transfer cryptocurrency from an external wallet to your PayPal Cryptocurrencies Hub, fees such as miner/gas fees would apply. Selling your cryptocurrency on your PayPal Cryptocurrencies Hub is also a taxable event. PayPal will provide regular account statements to help you report gains or losses on our taxes. Click here for more information on paying taxes on your cryptocurrency sales .

3. **Why do I not see my cryptocurrency as a payment option in PayPal?**

a. In order to pay your invoice with cryptocurrency, you must have the entire value of your invoice in a single cryptocurrency in your PayPal Cryptocurrencies Hub. BEFORE PROCEEDING, PLEASE ENSURE YOU HAVE THE SUFFICIENT VALUE IN A SINGLE CRYPTOCURRENCY IN YOUR PAYPAL CRYPTOCURRENCIES HUB. IF YOU PROCEED WITHOUT DOING SO, CRYPTOCURRENCIES WILL NOT BE SHOWN AS A PAYMENT METHOD IN PAYPAL. Click here for more information on buying cryptocurrency on PayPal or click here for more information on transferring cryptocurrency from an external cryptocurrency wallet to your PayPal Cryptocurrencies Hub . To transfer currency from an external wallet to the PayPal Cryptocurrencies Hub, you must log in to PayPal in order to retrieve the destination crypto wallet address. Fees such as PayPal purchase fees, when buying cryptocurrency through PayPal, or miner/gas fees, when transferring cryptocurrency from an external wallet to your PayPal Cryptocurrencies Hub, may apply.

b. Another possibility is that there is not another payment method associated with the account. PayPal requires another payment method be associated with the account as a backup in order to utilize cryptocurrency.

c. Another possibility is that the logged in user has a PayPal offer that covers the entire transaction value. To enable the use of cryptocurrency in these situations, go to the ‘Wallet’ tab, find the relevant offer(s) under the ‘Offers’ section, and uncheck the ‘Use at next purchase (when valid) checkbox on the offer(s).

4. **I clicked ‘Continue’ on PayPal, but then it just brought me to the PayPal homepage. What happened?**
   The PayPal invoice has timed out in this instance. Please ensure you complete the full process in a timely manner or this situation will occur.

Attachment 2

COLORADO
Department of Revenue

5. **I decided not to use cryptocurrency to pay my bill, but after I quit, my cryptocurrency was still gone. What happened?**
   If you leave the process after selling your cryptocurrency in your PayPal Cryptocurrencies Hub, but before completing the entire checkout process, your cryptocurrency will still have been sold and the US dollar equivalent deposited into your PayPal balance.

6. **Why can't I see the Crypto options on my PayPal business account?**
   PayPal does not currently allow the purchase or use of cryptocurrency with a PayPal business account.

7. **Why can't I see my credit card to buy cryptocurrency on PayPal?**
   PayPal only allows you to purchase cryptocurrency using a debit card or bank account.

8. **I am trying to transfer to transfer cryptocurrency from one PayPal account to another, but I can't find my account as an option to transfer to. What do I need to do?**
   This is a privacy setting in PayPal. To enable search via attributes such as your email, click on the gear/settings icon in PayPal, create a PayPal.Me link for your account, and then go to the 'Search privacy' settings and enable searching of your account via the methods you desire.

9. **Why am I getting a weekly purchase limit of $100,000 error in PayPal?**
   At this time, you may only purchase up to $100,000 of cryptocurrency in PayPal per week.

10. **If I need a refund, will it be based off the current exchange rate of the cryptocurrency?**
    If a refund is to be provided for any reason, this will only be provided in US dollars for your invoice amount.

Enrolled Copy **H.B. 456**

DIGITAL USER ASSET PAYMENT AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jordan D. Teuscher

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill makes provisions related to the use of digital user assets to make payments to participating government agencies and political subdivisions.

Highlighted Provisions:

This bill:

- defines terms;
- requires the Division of Finance to contract with a third party to accept payments to participating government agencies in the form of digital assets;
- authorizes the Division of Finance to contract with a third party to accept payments to political subdivisions in the form of digital assets;
- gives the division rulemaking authority to determine standards a third party must meet to provide the payment service; and
- describes the assignment of liability with respect to aspects of providing this payment service.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

ENACTS:

63A-3-112, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **63A-3-112** is enacted to read:

63A-3-112. Digital user asset collection.

(1) As used in this section:

(a) "Agency" means a state government entity that receives payments for services or fees and is eligible to enter into a contract for payment services with the division.

(b) "Agency payment" means a payment that is due directly to an agency and that the agency collects either directly or through a third-party payment processor with whom the division has a contract.

(c) "Digital asset" means a representation of economic, proprietary, or access rights that is stored in a computer readable format.

(d) "Digital security" means a digital asset which constitutes a security, as that term is defined in Section 70A-8-101.

(e) (i) "Digital user asset" means a digital asset that is used or bought primarily for consumptive, personal, or household purposes.

(ii) "Digital user asset" includes an open blockchain token.

(iii) "Digital user asset" does not include a digital security.

(f) "Participating agency" means an agency that meets the division's requirements to accept payments made through a service provider with whom the division has a contract.

(g) "Political subdivision" means the same as that term is defined in Section 63G-7-102.

(h) "Political subdivision payment" means a payment that is due directly to a political subdivision and that the political subdivision collects either directly or through a third-party payment processor with whom the political subdivision has a contract.

(i) "Service provider" means a person with demonstrated experience exchanging digital user assets for legal tender.

(2) The division shall contract with a service provider to provide a service to process an agency payment for a participating agency by:

(a) taking the payment in the form of a digital user asset; and

(b) converting the digital user asset into legal tender to pay the agency payment.

(3) (a) When contracting with a service provider to provide the service described in Subsection (2), the division has discretion to choose a service provider that can only provide the exchange service for a limited class or type of digital user asset.

(b) The division may contract with more than one service provider to provide the service described in Subsection (2).

(c) Nothing in this section shall be interpreted to require the division to provide the service described in Subsection (2) for all types of digital user assets.

(4) (a) The person paying the agency payment bears responsibility for any costs the service provider charges for the service provider's service.

(b) The division may collect a fee established in accordance with the procedures and requirements of Section 63J-1-504 to cover the costs to the division of providing the service described in Subsection (2).

(5) The division shall contract to provide the service described in Subsection (2) on or before January 1, 2023.

(6) The division shall, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules to:

(a) establish standards that a person must meet to be eligible to enter into a contract as a service provider; and

(b) establish requirements an agency must meet to be a participating agency.

(7) A political subdivision may enter into an agreement with the division for the division to contract with a service provider to, on behalf of the political subdivision:

(a) provide a service to collect a political subdivision payment in the form of a digital user asset; and

(b) convert the digital user asset into legal tender to pay the political subdivision payment.

(8) Nothing in this section shall be interpreted to impose liability upon the person paying the agency payment or a participating agency for a change in value of the digital user asset after the moment of payment to the service provider.

Section 2. **Effective date.**

This bill takes effect on July 1, 2022.

ENROLLED

2024 Regular Session

ACT No. 700

HOUSE BILL NO. 488

BY REPRESENTATIVE WRIGHT

AN ACT

To amend and reenact Section 3 of Act No. 331 of the 2023 Regular Session of the Legislature and to enact Chapter 22 of Title 49 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 49:1501 through 1507, relative to digital assets and cryptocurrency; to prohibit certain government regulations of digital assets; to provide for a short title; to provide for definitions; to prohibit governing authorities from requiring use, payment, or testing of central bank digital currency; to provide for node operating and the use of home digital asset mining; to provide for exceptions; to provide for limitations of liability; to provide relative to certain foreign-party-controlled businesses; to provide relative to duties of the attorney general; to provide for investigations; to provide for civil actions; to provide for procedures, terms, remedies, processes, and conditions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 22 of Title 49 of the Louisiana Revised Statutes of 1950, comprised of R.S. 49:1501 through 1507, is hereby enacted to read as follows:

CHAPTER 22. BLOCKCHAIN BASICS ACT

§1501. Short title

This Chapter shall be known and may be cited as the "Blockchain Basics Act".

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§1502. Definitions

As used in this Chapter, the following terms have the following meanings, unless context of use clearly requires otherwise:

(1) "Blockchain" has the meaning ascribed to it in R.S. 6:1382. The term "blockchain" includes both of the following:

(a) Data that is shared across a network to create a ledger of verified transactions or information among network participants linked together using cryptography to maintain the integrity of the ledger and to execute other functions.

(b) Data that is distributed among network participants in an automated fashion to concurrently update network participants on the state of the ledger and any other function.

(2) "Blockchain protocol" means any executable software deployed to a blockchain composed of source code that is publicly available and accessible, including a smart contract or any network of smart contracts.

(3) "Central bank digital currency" means a digital currency, a digital medium of exchange, or a digital monetary unit of account issued by the Board of Governors of the Federal Reserve System or a federal agency which is made directly available to a consumer by such entities, or which is processed or validated directly by such entities. The term does not mean a digital asset backed by legal tender or government treasuries and issued by a private entity.

(4) "Digital asset" means virtual currency, cryptocurrencies, natively electronic assets, including stablecoins and non-fungible tokens or NFTs, and other digital-only assets that confer economic, proprietary, or access rights or powers.

(5) "Digital asset mining" means using electricity to power a computer or node for the purpose of securing a blockchain network.

(6) "Digital asset mining business" means a group of computers working that consume more than one megawatt of energy for the purpose of securing a blockchain protocol.

(7) "Governing authority" means any board, commission, department or other agency of the state or any political subdivision in the state.

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(8) "Hardware wallet" means a physical device that is not continuously connected to the internet and allows an individual to secure and transfer digital assets. The term "hardware wallet" also includes a physical device under which the owner of digital assets retains independent control over the digital assets.

(9) "Home digital asset mining" means using digital asset mining in an area zoned for residential use.

(10) "Interest" means an ownership interest of greater than zero percent.

(11)(a) "Node" means a computational device that does any of the following:

(i) Communicates with other devices or participants on a blockchain to maintain consensus and integrity of that blockchain.

(ii) Creates and validates transaction blocks.

(iii) Contains and updates a copy of a blockchain.

(b) A node does not exercise discretion over transactions initiated by the end user of the blockchain protocol.

(12) "Nonfungible token" or "NFT" has the meaning ascribed to it in R.S. 6:1382.

(13) "Prohibited foreign party" means any of the following:

(a) A citizen, resident, or agent of a country subject to the provisions of 22 CFR 126.1 of the International Traffic in Arms Regulations.

(b) A foreign government formed within a country subject to the provisions of 22 CFR 126.1 of the International Traffic in Arms Regulations.

(c) A party other than an individual or government that is created or organized under the laws of a foreign government within a country subject to the provisions of 22 CFR 126.1 of the International Traffic in Arms Regulations.

(d) Any party other than an individual or a government that is created or organized under the laws of any state and in which a significant interest or substantial control is directly or indirectly held or is capable of being exercised by any of the following:

(i) An individual as provided in Subparagraph (a) of this Paragraph.

(ii) A foreign government as provided in Subparagraph (b) of this Paragraph.

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(iii) A party as provided in Subparagraph (c) of this Paragraph.

(iv) A combination of any individual, party, or government as provided in this Paragraph.

(e) An Entity of Particular Concern (EPC) designated by the United States Department of State.

(f) An agent, trustee, or other fiduciary of a person or entity as provided in this Paragraph.

(14) "Self-hosted wallet" means a digital interface that is used to do both of the following:

(a) Secure and transfers digital assets.

(b) Retain independent control over the secured digital assets by the owner of the digital asset.

(15) "Staking" means the act of committing digital assets for a period of time to validate and secure a specific blockchain network.

(16) "Staking as a service" means the provision of technical staking services, including the operation of nodes and the associated infrastructure necessary to facilitate participation in blockchain networks' consensus mechanisms.

§1503. Prohibitions on use and testing of central bank digital currency

A. A governing authority shall not accept or require a payment using central bank digital currency.

B. A governing authority shall not participate in any test of central bank digital currency by the Board of Governors of the Federal Reserve System or any branch or agency of the federal government.

§1504. Permitted uses of digital assets

A governing authority shall not prohibit, restrict, or otherwise impair the ability of an individual or business to do either of the following:

(1) Accept digital assets as a method of payment for legal goods and services.

(2) Self-custody digital assets using a self-hosted wallet or hardware wallet.

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§1505. Permitted uses of home digital asset mining; exceptions

It shall be legal in this state to do both of the following:

(1) Participate in home digital asset mining as long as the person engaging in home digital asset mining complies with all local noise ordinances.

(2) Have a digital asset mining business in any area that is zoned for industrial use, provided they comply with all current ordinances.

§1506. Node operating; home digital asset mining; exceptions; liability

A. It shall be legal in this state to operate a node for the purpose of connecting to a blockchain protocol, or a protocol built on top of a blockchain protocol, and transferring digital assets on a blockchain protocol, or to participate in staking on a blockchain protocol.

B. Nothing in this Chapter restricts or prohibits the attorney general from initiating actions pursuant to the Unfair Trade Practices and Consumer Protection Law, including but not limited to actions brought for fraud, in connection with offering or providing digital asset mining or staking as a service to individuals or other businesses.

C. Nothing in this Chapter shall restrict, impede, limit, exempt, or prohibit any person, entity, transaction, or conduct from the jurisdiction or application of Louisiana Securities Law, R.S. 51:701, et seq., or any other federal or state securities law.

§1507. Ownership of digital asset mining business by prohibited foreign-party-controlled business; prohibited

A.(1) No prohibited foreign party shall acquire or hold by grant, purchase, devise, descent, or otherwise any interest in a digital asset mining business in this state.

(2) No person shall acquire or hold a digital asset mining business as an agent, trustee, or other fiduciary of a prohibited foreign-party-controlled business.

B.(1) A prohibited foreign-party-controlled business in operation before August 1, 2024, shall have three hundred sixty-five calendar days from August 1,

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2024, for the prohibited foreign party to divest all interest in the digital asset mining business.

(2) If a prohibited foreign party fails to divest all interest in the digital asset mining business in accordance with Paragraph (1) of this Subsection, the attorney general may commence an action in a court of competent jurisdiction as provided in Subsection D of this Section.

C. Upon request of a person or upon receipt of information that leads the attorney general to believe that a violation of this Section may exist, the attorney general may conduct an investigation that includes any of the following:

(1) Receiving sworn statements.

(2) Issuing subpoenas to compel the testimony of witnesses.

(3) Issuing subpoenas duces tecum for the production of records and other documents.

D.(1) If, as a result of an investigation, the attorney general concludes that a violation of this Section has occurred, the attorney general may order a prohibited foreign party to divest all interest in the digital asset mining business within three hundred sixty-five calendar days of the order.

(2)(a) If the prohibited foreign party fails to divest all interest in the digital asset mining business within three hundred sixty-five calendar days, the attorney general may commence an action in a court of competent jurisdiction over the digital asset mining business.

(b) Prior to bringing an action pursuant to this Section, the attorney general shall provide written notice to the holder of each mortgage, lien, privilege, UCC-9 security interest, or other encumbrance of the subject property, which is filed in the public records or is perfected. Such notice shall be provided in the same manner as provided in R.S. 40:2608 or R.S. 14:90.1.

(3)(a) If the court finds that a violation of this Section has occurred, the court shall order the digital asset mining business to be sold at a judicial sale in accordance with the procedural requirements of Code of Civil Procedure Article 2331, et seq.

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(b) The proceeds of the sale pursuant to this Paragraph shall be disbursed to the lienholders in order of priority. Prior recorded or perfected encumbrances shall have priority over any subsequently awarded remedies, penalties, or damages authorized pursuant to Subparagraphs (4)(a) and (c) and Paragraph (5) of this Subsection.

(c) If the assets of the digital asset mining business include immovable property, the procedures provided for in R.S. 9:2717.1 related to notice and sale of immovable property shall be followed.

(4) The attorney general may pursue other remedies authorized by law in an action brought pursuant to the provisions of this Subsection including but not limited to any of the following:

(a) A civil penalty not to exceed one million dollars or twenty-five percent of the fair market value on the date of the assessment of the civil penalty of the prohibited foreign party's interest in the digital asset mining business for the failure to divest of all interest in the digital asset mining business within three hundred sixty-five calendar days as required by this Section.

(b) Court costs associated with the civil action.

(c) Judicial interest on the amount of a judgment accruing from the date the lawsuit is filed by the attorney general pursuant to Paragraph (2) of this Subsection.

(d) Reasonable attorney fees.

(5) In addition to the remedies provided in Paragraph (4) of this Subsection, the attorney general may pursue damages against a digital asset mining business if the digital asset mining business is held in violation of this Section by the court, is ordered to pay a civil penalty as provided in Paragraph (4) of this Subsection, and fails to pay the civil penalty imposed.

(6) The approval of a digital asset mining business by a local government or the receipt by a digital asset mining business of a permit or other authorization from the state to operate shall not be a defense to a cause of action brought pursuant to this Section.

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E. No mortgage, lien, privilege, or other security interest recognized under the laws of this state and no ownership interest in indivision, lease, servitude, usufruct, right of use, bond for deed, or other real right shall be affected by a divestiture or disposition pursuant to this Section.

F. No attorney, title insurer, title insurance producer, title insurance agency producer, lender, mortgage loan servicer, notary public, real estate agent, real estate broker, seller, or lessor shall have a duty to make any investigation as to whether a party to a transaction involving immovable property is a prohibited foreign party, nor shall any such person be liable for failing to identify that a party to a transaction involving immovable property is a prohibited foreign party.

G. If a prohibited foreign party acquires immovable property despite the prohibitions provided in this Section, the property shall only be subject to divestiture or disposition during the period in which the prohibited foreign party owns the property. Rights in immovable property shall not be void or voidable because the property or right held in the property was previously held by a prohibited foreign party.

Section 2. Section 3 of Act No. 331 of the 2023 Regular Session of the Legislature is hereby amended and reenacted to read as follows:

Section 3. The provisions of this Act shall terminate on July 1, ~~2025~~ 2027.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

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Attachment 5

PRESS RELEASE

LOUISIANA TREASURER JOHN FLEMING, MD

treasury.la.gov



PRESS RELEASE
FOR IMMEDIATE RELEASE
SEPTEMBER 17, 2024

LOUISIANA STATE GOVERNMENT ACCEPTS FIRST CRYPTOCURRENCY PAYMENT

BATON ROUGE, La.—Louisiana State Treasurer, John Fleming, M.D. announces an innovative transition with state government's plan to accept cryptocurrency as a valid form of payment, allowing the integration of digital currency into Louisiana's public operations.

Louisiana residents will now have the option to pay for state services from their private, secure crypto wallets. These popular types of cryptocurrencies will be accepted: Bitcoin, Bitcoin Lightning, and USD Coin. In fact, the first cryptocurrency payment was made today to the Louisiana Department of Wildlife and Fisheries.

A unique service converts incoming cryptocurrency payments, depositing U.S. dollar amounts into state government accounts like a credit or debit card transaction. This service protects the state from previous worries about accepting cryptocurrency and promotes the adoption of new technologies in the state's infrastructure.

"In today's digital age, government systems must evolve and embrace new technologies. By introducing cryptocurrency as a payment option, we're not just innovating; we're providing our citizens with flexibility and freedom in interacting with state services. Additionally, this unique innovation protects our state from any volatility associated with cryptocurrency," Dr. Fleming said.

The integration of cryptocurrency payments into state agencies results from a collaborative effort between the State of Louisiana, Bead Pay, a specialist in cryptocurrency payments, and Louisiana-based integration partners.

Louisiana State Representative Mark Wright (R-Covington) has championed this issue throughout his career as a legislator. He said, "I have been proud to author several bills related to digital assets and to Chair the State Treasurer's task force in 2022. I'm excited to see Louisiana further expanding its payment options under Treasurer Fleming. I look forward to working with him and others so that Louisiana will continue to be a leader in accepting digital payments."

By leveraging Bead Pay, a unique provider of cryptocurrency conversion of point-of-sale payments, both residents and state government will glean the following benefits:

-Decrease in the number of fraudulent transactions
-The State of Louisiana will not handle cryptocurrency
-Cryptocurrency price volatility is avoided
-Any digital wallet with cryptocurrencies can be used
-The state receives payments in US Dollars

"As one of the pioneers in the realm of cryptocurrency transactions, our role is to ensure these payments are not only efficient but also secure. We're focused on removing the traditional barriers associated with cryptocurrency, such as volatility and fraud risks, making it a reliable option for government transactions," said Jay Sykes, Chief Executive Officer of Bead Pay.

"Offering our sportsmen more ways to interact with our department allows for us to enhance our customer service. This is another step towards our goal of creating a modern and professional organization that better serves the sportsmen of the state,"
said Secretary Madison Sheahan of the Louisiana Department of Wildlife and Fisheries, the first scheduled department to implement the digital currency payment option.

About Bead Pay
Bead Pay facilitates cryptocurrency acceptance for governments and businesses, removing the complexities of holding, converting, or understanding crypto. At the time of purchase, crypto is converted to local currency, ensuring the total payment amount is received with no price volatility. Bead Pay enables third parties to integrate crypto payments into their e-commerce and point-of-sale payment platforms. For more information, visit https://beadpay.io.

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For more information contact:

Jeff Crouere
Communications Director
Louisiana Department of Treasury
Office: (225) 342-0015
Jcrouere@treasury.la.gov

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Louisiana State Treasury | State Capitol, 3rd Floor P.O. Box 44154 | Baton Rouge, LA 70804 US

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