

## Multicultural Education

Research Article

Homepage: [www.MC-caddogap.com](http://www.MC-caddogap.com)**LEGISLATE BLOCKCHAIN AND CRYPTOCURRENCIES;  
TO TAX THE CRYPTO TRADE IN PAKISTAN.****Naheeda Ali***Assistant Professor, Department of Law, University of the Punjab, Gujranwala Campus. Pakistan.***ABSTRACT**

Legislators have the capacity to play a transformative and innovative role; new technologies are constantly emerging everywhere. In the early days of the Internet in the early 1990s. It is impossible to predict how far encryption technology will go over the next few years. In developed countries as United States legislators have recently made aware of the advantages of enacting laws that promote growth and allow for the expansion of new technology. Cryptocurrencies have the potential to be even more opaque, chaotic, and unpredictable because of their independence from prior technology advancements. Our objective is to balance equity and productivity, growth and regulation in Pakistan. Consider how to assist and educate law making authorities about cryptographic approaches and technology. Our goals are to achieve equality, preserve order, defend ourselves, and make progress in order to protect our citizens as we draught laws governing cryptographic technology. Even obtaining the potential benefits of cryptographic technology via taxation while keeping in mind the dangers and concerns it might provide, if allowed to grow unchecked. The most efficient method of regulating the cryptocurrency industry is to protect investors and consumers while supporting long-term expansion.

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**1. INTRODUCTION**

In 2010, the first Bitcoin (BTC) transaction was the purchase of two pizzas for 10,000 BTC, equivalent to around \$43 at the time (CNBCTV18, 2021). If bitcoin were trading at its all-time high in May of 2021, that quantity of bitcoin would be worth around \$630 million. Over the last few years, massive price rises have legitimized the effect. That cryptocurrencies and other blockchain technologies have on current markets and society. This has resulted in a quick shift in public attitude towards bitcoin, cryptocurrency, and other blockchain technologies. The overall market value of cryptocurrencies topped \$2 trillion in April 2021, almost equivalent to Apple's market worth. This firm is now an enormous global corporation (Kyriazis, N. A. 2021).

The value propositions of several cryptocurrencies might vary significantly from one another. For instance, Bitcoin users can conceal their identities, protecting their assets from being seized by totalitarian regimes. There is evidence that using Bitcoin may assist business owners in countries with low per capita incomes, such as Zimbabwe and Kenya, lower the expenses associated with converting currencies and moving money. Many people in economically disadvantaged regions see Bitcoin as a potential tool of economic empowerment due to its ability to sidestep weak banking institutions and corrupt governments (Wątopek M. et al., 2021).

On the other hand, the capabilities of cryptocurrencies have facilitated illegal activities. Such as the trafficking of drugs, the operation of large-scale frauds, and ransomware assaults. The unpredictability of

cryptocurrency markets raises concerns that speculators would suffer financial losses or that the instability of cryptocurrency prices might spread to other financial markets if crypto markets get too large. Without appropriate legislation, governments are concerned that cryptocurrencies may make it easier for citizens to avoid paying taxes. China has been a pioneer in developing stringent cryptographic currency legislation, and it is expected that many other nations will follow suit, although with less stringent restrictions (Rognone, L. et al., 2020).

Bitcoin was first developed in 2008 by an unidentified individual or group of individuals who went by the moniker, Satoshi Nakamoto. Nakamoto distributed open-source software that made it possible for bitcoin transactions to be processed peer-to-peer (P2P), establishing bitcoin as a completely decentralized digital currency that did not need the use of any middlemen (Sharma, D. K et al., 2020). The bitcoin price skyrocketed during the 2010s, reaching an all-time high of approximately \$20,000 in 2017. After reaching its apex, the bitcoin price immediately began a precipitous decline, which lasted for more than 80 percent, and did not begin to recover until it hit new highs of more than \$60,000 in 2021. Many people now feel that the high values for different crypto assets are exclusively attributed to a speculative bubble. The collapse brought volatility and instability to the forefront of the cryptocurrency markets. However, the all-time highs reached in 2021 solidified bitcoin's position as possibly the public asset that has performed the best over the previous decade (Liu, Y. et al., 2022).

Litecoin and Ethereum are only two of the cryptocurrencies and blockchain networks that have been developed in the years after the debut of bitcoin. The decade of 2010s saw the development of new cryptographic technologies and the continued testing and validation of current systems. For instance, the Ethereum network now has a great deal of software, and other networks developed. These advancements have made it possible for new markets to form, such as the Non-Fungible Tokens (NFTs) market, which is extensively used for trading and transferring digital art for hundreds of thousands of dollars or even millions of dollars (Rognone, L. et al., 2020).

Essential Standings	
<b>Cryptocurrency</b>	Digital asset that may be used as a means of trade/exchange.
<b>Bitcoin (BTC)</b>	Decentralized digital money/currency with the highest market capitalization and overall value.
<b>Blockchain</b>	Primary data structure that underpins cryptocurrency transactions. A continuously expanding set of records (a ledger) that are connected using secret codes (cryptography)
<b>Peer-to-Peer (P2P)</b>	An architecture for distributed computing in which users of an application, also known as peers, are treated as equally privileged participants in the program. Peers do away with the requirement for centralized coordination by cooperating to share resources like memory and processing power.
<b>Ethereum</b>	It's a distributed blockchain that has innovative contract capability. This functionality enables legally significant actions to be carried out automatically. Ether, often known as ETH, is the first cryptocurrency developed for use on the Ethereum network.
<b>Mining</b>	The process of validating transactions on a blockchain to maintain its consistency and integrity. Miners are compensated with newly created bitcoin for each "proof" they produce.
<b>Security</b>	Any marketable financial asset or investment agreement, often to generate a return (e.g., public equity, fixed income assets). The Securities and Exchange Commission enforces legislations to prevent fraud in the market.
<b>Commodity</b>	A fungible economic product or resource (such as maize, gold, or cobalt) like corn, gold, or cobalt (Merriam Webster, 2018). Bitcoin has traditionally been seen as a commodity. This implies that, rather than being seen as an investment, it is understood as a kind of property.
<b>Initial Coin Offering (ICO)</b>	Crowdfunding used to acquire new crypto assets. An initial coin offering (ICO) is when an amount of a new cryptocurrency is offered in exchange for more stable currencies. ICOs were initially exempt from the restrictions already in place, but the SEC eventually decided to classify them as an instance of the issue of new securities. One example of an ICO might be The initial coin offering (ICO) held in 2017 by a Swiss business that designed a management platform for decentralized groups, collected around \$25 million, and provided purchasers voting rights on how the system was developed
<b>Stable coin</b>	Kind of cryptocurrency that aims to maintain a fixed price relative to another currency or commodity. Officials are concerned that investors may be taken advantage of by stablecoins, even though they are valuable in linking digital asset markets to more stable physical markets. Legislation should serve as a mechanism for carrying out legislation.
<b>Crypto punks</b>	It's one of the most well-known series of NFT digital art. One-of-a-kind NFTs depicting crypto punks have fetched prices in the millions of dollars in online markets.
<b>Smart Contract</b>	A smart contract is a self-executing contract in which the conditions of the buyer-seller agreement are put directly into lines of code. The code, as well as the agreements it contains, are disseminated throughout a decentralised blockchain network.

## **Methodology:**

This study is based on qualitative research. we analysed basic sources of law, statutes, local and international laws, protocols, conventions, treaties and reports related to cryptocurrency for the triumph of this work.

## **2. A BRIEF OVERVIEW OF CRYPTOCURRENCY LEGISLATION**

Because cryptocurrency is a new technology, it does not neatly fit into any traditionally recognized financial instruments. As a result, most industrialized governments have not adequately regulated the cryptocurrency market. Whether cryptocurrencies should be classified as securities, commodities, or currencies has not yet been resolved in most countries. Bitcoin is recognized as a virtual commodity in China. However, it is not accepted as a form of legal money, and it is against the law for the country's banking sector to provide services linked to cryptocurrencies. Even though many nations, such as the United States, Australia, and those in the European Union, do not impose stringent legislations on cryptocurrency exchanges, several nations have started to tax the crypto trade. The marketplaces for cryptocurrencies are very unpredictable and have very little legislation (Corbet S. et al., 2019).

### **2.1 *The Breadth and Depth of the Issue***

#### **2.1.1 Observance of tax laws**

Cryptocurrencies provide a whole new set of challenges for various governments regarding taxation. When confronted with the new cryptocurrency world, one of the main priorities for any government is to make sure that no new financial technology allows citizens to avoid paying taxes. In order to provide stability to crypto tax policy, governments need to define legal definitions of the many financial instruments associated with the cryptocurrency based economical system, to increase GDP of developing countries like Pakistan. The first and remains the most prominent cryptocurrency, Bitcoin is an accessible and well-known example of the challenges of categorizing all digital assets (Demirhan, H. 2019). The legality of bitcoin differs from country to country and jurisdiction to jurisdiction. Bitcoin is illegal to use in some states, including Pakistan, Bolivia, and Egypt, due to the government's decision to prohibit outright the cryptocurrency. Bitcoin may be categorized as either money, a commodity, or a security, depending on the decisions made by other states. Due to the lack of legislation, authorities in the United States have considered bitcoin property, and the revenue generated from crypto mining is taxed like regular income. The vast majority of nations followed suit, but only a select handful have recognized bitcoin as a currency (Yayman, D. 2021).

#### **2.1.2 Sojourn to Illegal Behaviour**

In some circumstances, Bitcoin and other cryptocurrencies make it possible to engage in illegal behaviour and launder money. In the first few years after the invention of bitcoin and other dominant cryptocurrencies, it appeared that these new technologies gave criminal networks new tools for anonymity, such that their crimes would go unnoticed or be impossible to stop. An example that is well recognized is the dark web bazaar known as Silk Road, which utilized bitcoin to facilitate the sale of illicit substances. On the other hand, law enforcement and intelligence agencies have better-understood crypto technology over the last decade. Blockchain ledgers are now considered viable tools for tracing and monitoring criminal behaviour. Silk Road was taken down in 2013, and its creator was given a sentence of life in jail without the possibility of parole. In 2020, the United States government took possession of more than one billion dollars' worth of bitcoin-related to the marketplace (The Guardian, 2020). Pseudonymous addresses, privacy coins that use cryptography to enhance anonymity, and crypto to crypto transactions as opposed to the dollar to crypto transactions. Do away with the need for intermediary banks and exchanges. Many of the government's tools to enforce tax compliance are the most significant challenges crypto poses to governments in the fight against money laundering and tax evasion. Cryptocurrency is a decentralized digital currency that uses cryptography to enhance anonymity (Chohan, U. W. 2019).

### 2.1.3 Protection for Investors

Throughout history, the United States has reaped significant benefits from enforcing investor protection laws. These rules consider the informational disparity between an investor and the issuer of the security, commodity, or derivative product; to build the framework for successful investor protection, laws that specifically ban fraud and misleading sales pricing is essential. These laws benefit investors and issuers, and sellers of assets. How cryptocurrencies are categorized legally will affect the authorities' capacities to uphold legal obligations (Cheung, J. 2019). In the past, executive authorities have regarded bitcoin, and by extension, the vast majority of other cryptocurrencies, as property in the same way they would handle a commodity. The Securities and Exchange Commission (SEC) has determined that specific initial coin offerings (ICOs) are fraudulent, even though regulators have deemed many ICOs to be new issuances of securities. In the U.S, Congress has the authority to devise more careful and well-reasoned classifications so that investors are safeguarded from the myriad of potential outcomes generated by cryptographic technologies. However, policymakers have a responsibility to strike a balance between the safety of investors and the potential that the absence of legislation in initial coin offerings (ICOs) and crypto investment, in general, has fostered innovation in this industry (Bellavitis, C. et al., 2021).

### 2.2 *The Activities of Congress*

The actions taken by Congress regarding these concerns have been quite limited. Experts and economists gave the impression to Congress for a significant amount of time that cryptocurrency marketplaces, despite their novelty and curiosity, were too tiny to deserve in-depth research and legislation. Following the massive bull run in 2021, the entire market value of cryptocurrencies surpassed \$2 trillion, and new laws may be necessary due to these events.

### 2.3 *The Crypto-Currency Act of 2020*

Also known as HR 6154, was presented to the House of Representatives on March 9, 2020. Both the Committee on Financial Services and the Committee on Agriculture were tasked with looking into this matter. The purpose of the proposed legislation was to establish agency supervision of certain digital assets and force these agencies to publicize the exchanges trading digital assets and the conditions to produce or trade digital assets. It set the groundwork for the establishment of the Commodity Futures Trading Commission (CFTC) as the principal regulator of cryptocurrencies, in addition to the Financial Crimes Enforcement Network (FinCEN) and the Office of the Comptroller of the Currency (OCC) (OCC). In addition, it attempted to designate the Securities and Exchange Commission (SEC) as the principal governing body for cryptocurrencies and fabricated stablecoins. It is abundantly evident that the wording included in the bill proposal is quite hazy. It is anticipated that the referred committees will evaluate and discuss the matter to strengthen agency supervision in this emerging business. The proposal does not clarify how the CFTC, besides FinCEN and OCC, would regulate cryptocurrencies. A comprehensive bill would need to add a significant amount of specificity and granularity because the involvement of so many agencies imply the simultaneous classification of cryptocurrencies as commodities, securities, and currencies (Ogunyolu, O. A., & Adebayo, A. O. 2022).

### 2.4 *Other Forms of Policy Intervention*

When it comes to preventing illegal activities that cryptocurrencies might facilitate, several other nations have taken a more proactive approach than the United States has. For instance, Australia and Canada are two countries that have implemented legislation that requires cryptocurrency transactions and the institutions that support them to retain detailed records in order to comply with money laundering and counter the funding of terrorist organizations' legislations. Others go even further to limit investments in cryptocurrencies. While others, such as Pakistan, Nepal, Vietnam, Bolivia, and others, outright outlaw any activity about cryptocurrencies. Countries such as Spain, Switzerland, Belarus, and Luxembourg have minimal limitations on using cryptocurrencies and blockchain technology and actively support its further development. Each jurisdiction's method to regulate this emerging business is as diverse as one could conceive possible. When it comes to how to tax cryptocurrencies and digital assets, countries use a broad range of different methods. For instance, Israel and Bulgaria tax cryptocurrencies as assets, but Argentina and

Spain tax them as income, and Switzerland taxes them like a foreign currency. Other countries, such as Switzerland, tax cryptocurrencies as foreign currencies. A limited number of nations and municipalities will accept various cryptocurrencies as a payment method.

At the level of the states in the United States, policies regarding cryptocurrencies may vary from being favourable to being prohibited. Several states, including Wyoming and Colorado, have recently enacted legislation that removes cryptocurrency outside the purview of state securities laws. Ohio and Oklahoma have submitted legislation that would make it legal for cryptocurrencies to be used as payment to state and local governments. Ohio has already begun collecting cryptocurrency tax payments, and Oklahoma has introduced legislation to do the same. These states use various promotional opportunities to foster innovation and attract new cryptocurrency-based enterprises. States with stricter gun control laws are moving in the other direction legislatively. The state of Iowa has proposed a measure that would prevent state agencies from taking cryptocurrencies as a form of payment. In contrast, the state of New York has discussed whether or not it should require businesses to get a "BitLicense" before engaging in cryptocurrency trading.

### 3. IDEALISTIC PERSPECTIVES

Because bitcoin and other cryptocurrencies sprang from an online ideal of anarchy and libertarianism, ideological perspectives on crypto differ more with libertarianism vs. authoritarianism than they do along the spectrum of conservatism versus liberalism. The early foundation for cryptocurrency legislation has been a widely nonpartisan endeavour, with most proposed proposals co-sponsored by democratic and republican lawmakers. Because they know the opportunities for innovation and economic growth presented by an open cryptocurrency market, many conservatives most likely favour moderate rather than stringent legislation. However, there is a tiny but vocal minority of more conventional conservatives who are undoubtedly concerned about the ability of cryptocurrencies to disrupt markets and government-issued fiat currencies. As a result, they call for more legislation (Chohan, U. W. 2019).

The importance of individual liberty results in robust support for innovative competition within crypto marketplaces. A shared commitment to personal liberty and socioeconomic equality makes more likely to favour cryptographic technologies, which give people more economic agency. On the other hand, support for economic equality may also drive them to push for stringent legislation and high taxes to increase the amount of government income available for social welfare. It should come as no surprise that the tremendous expansion of technology during and after the COVID-19 epidemic has contributed to an increased economic disparity across the board. Crypto technologies are contributing to that trend. Then that will be taxed and aggressively regulated the business to shift more of the advantages onto low-income. There is always a trade-off between equality and creativity in new technology; thus, we need to wrestle with the anticipated costs and advantages of cryptocurrencies and crypto-assets to evaluate the degree to which they should be regulated and taxed.

### 4. AREAS OF CONTROVERSY

#### 4.1 *Regarding Taxes*

Taxation is the most compelling instrument that regulators have available whenever there is a new market powered by technology. States need to work toward creating a taxation system for digital assets that directs incentives toward the promotion of long-term economic growth. Cryptocurrencies are presently treated as properties. The growth of the value of a cryptocurrency kept for more than a year before it is sold would be subject to a tax rate that is far lower than the tax rate applicable to income. Gains on assets that have been owned for more than a year usually attract a reduced rate of taxation (Rijswijk, L. V., et al., 2018). This is done so that judgments about investments are more closely aligned with projections for future profits and growth. Suppose investors know that they would get a greater return by holding stock for a more extended period. In that case, they are more inclined to devote their money toward firms they believe in rather than investing in fashionable "meme" or momentum stocks, which may or may not contribute to genuine economic progress. This idea may be advantageous to crypto-assets if the lower long-term tax rate encourages investors to keep currencies that they feel will continue to be viable and provide value to society. This would be a favorable application of the principle. This would most certainly promote the acceptance of robust and valued currencies while also hastening the downfall of currencies founded on weak foundations or intended as a quick grab for money

(Yayman, D. 2021).

Nevertheless, states need to discuss whether or not these incentives in the cryptocurrency market are beneficial to both the public and the government. Because cryptocurrencies do not pay taxes or dividends and do not employ workers in the same way companies do. The public and the government get less benefit from fostering the development of cryptocurrency technology than they do from stimulating business expansion. Despite this, several crypto enterprises are springing up as cryptocurrencies become more widespread. States may strengthen its tailwind in crypto innovation by maintaining the growth-friendly tax rules that are now in place. In an ideal world, the most effective method of taxation would maintain its support for economic expansion and innovation while also raising overall tax income and promoting prudent investing behaviors (Demirhan, H. 2019).

### **4.2 Fraud and legislation of initial coin offerings**

Legislature can safeguard investors from suffering significant financial losses due to investing in high-risk assets and fraudulent schemes by formally defining digital assets and establishing a framework to govern the launch of new cryptocurrencies. For instance, Congress may choose to unambiguously label crypto tokens distributed through an initial coin offering (ICO) as securities and delegate control of all ICOs to the Securities and Exchange Commission (SEC). This would give them the go-ahead to fully clean up the market and improve the public's sense of what is legal and not, even though the SEC has already started to enforce securities law on a few dubious ICOs (Nadlifatin, R et al., 2022). This can make markets more efficient while also protecting legitimate investors and businesses from dishonest initial coin offerings (ICOs) and fraudulent scams. Nevertheless, the nature and function of ICOs might differ substantially from one another. Many initial coin offerings (ICOs) are probably not planned to raise capital for a business venture; instead, they are simply introducing a new digital asset into the market; one that possibly functions more as a currency than as security. This is because many ICOs are simply introducing a new digital asset into the market. Should the SEC continue to use its regulatory authority even when crypto-assets are not being traded in the same manner as securities? These instances should be discussed. The body should consider whether it would be more beneficial to grant complete authority to the SEC or share regulatory power amongst agencies such as the SEC, the CFTC, and FinCEN. legislature may choose to establish a commission or a news agency to do more study on the most effective approach to resolving this significant issue (Maurushat, A., & Halpin, D. 2022).

#### **4.2.1 Perspectives from a Political System on this Solution**

This issue is not as politically charged as the ones that came before it because all policymakers are interested inadequately enforcing laws and eliminating fraud and damage to consumers and investors. It is evident that more particular laws and more focused supervision are required; the issue that must be answered is how to effectively organize regulatory oversight. Crypto technology in general, who may belong to the camp of traditional conservatives or socialistic liberals, may give full power to regulate crypto markets as much as possible from a presumption of fraud excessive risk in the new issuance of crypto assets (Hsu, Y., & Liu, C. 2021). These may also support giving full power to the SEC to regulate traditional markets from a presumption of fraud. Legislators who have more moderate views and are more upbeat about the potential social implications of cryptographic technologies are likely to push for a more nuanced approach and a comprehensive investigation into the policies that have the most significant potential for success. Because it is evident that specific initial coin offerings (ICOs) and crypto tokens perform the functions of securities, most legislators will probably agree that the SEC will play a significant part in the regulating process. Legislators can determine if various agencies and procedures may be more suited for supervision of different market areas if they examine specific instances and the patterns of development in the market as a whole (Bellavitis, C. et al., 2021).

## **5. UTILIZE BLOCKCHAIN TECHNOLOGY FOR PUBLIC SECTOR PROJECTS**

As authorities get a deeper understanding of blockchain technology and the applications it enables, they may become interested in using cryptocurrencies to simplify and expedite government processes. During a time of increased government expenditure, it is possible that it is fair to advocate for the establishment of blockchain infrastructure inside government entities. A cryptographic electronic voting system for federal elections is one application that is particularly popular among software developers and investors in the cryptocurrency industry (Warkentin, M., & Orgeron, C. 2020). This system's target market is in the States. In a world where banking, business, and social life had all effectively migrated online, many peoples believed that the presidential election of 2020 underlined the folly of voting in person or by mail-in paper ballots in a world when everything else had successfully moved online. (Brown VII, S. H. 2022).

The use of cryptography permits the generation of one-of-a-kind virtual data packets, sometimes known in a more colloquial sense as "tokens," which cannot be replicated or altered in any way. The marketplaces for digital art and collectables have organically given rise to these non-fungible tokens, also known as NFTs. Because each person is given a single NFT to use in the voting process, this technology might be utilized to create a system that transparently records votes and is incapable of being used for fraudulent purposes (Sobolewski, M., & Alessie, D. 2021). Voters would not need to go in person or mail-in ballots, and voters would not need to be tallied by hand, significantly impacting the costs associated with elections. Many people may think this new system is more obscure and esoteric, even though it would be more transparent to those who are technologically literate. This factor must be considered in our current political landscape, which is rife with conspiracy theories and radical political sects. However, in practical terms, it is conceivable to construct a long-term system that would permanently save expenses for future federal elections while lowering the possibility of fraud. There are many possible uses for cryptography. However, the government's most common suggestion for its use is a voting system (Zwitter, A., & Hazenberg, J. 2020).

### *5.1 Perspectives from a political system on this solution*

These initiatives will face opposition from legislators, who are suspicious of the technology behind cryptography. The government has a history of being high risk-averse, and as a result, it is often slower to embrace new technology than the private sector. Legislators resistant to novel concepts and technology can believe that elections are an aspect of our democracy that cannot afford to have any room for error in terms of systemic improvement. Conservatives may be more opposed to this effort since the people who make up the conservatives' base are older, less educated, and have a lower level of literacy in new technology (Sobolewski, M., & Alessie, D. 2021).

## 6. BUDGETARY CONSIDERATIONS

By correctly defining the regulatory process and tax legislation for these new assets, the government stands to receive a large amount of cash in the form of tax revenue. A more efficient approach for identifying fraud and following due process will lead to numerous valuable assets being confiscated by the SEC, the FBI, and other agencies as an unintended consequence of implementing the system. When it comes to finances, the government stands to gain a significant profit from tightening the limits placed on crypto enterprises and newly issued crypto assets. If the government decides to prevent people from investing in cryptocurrency markets, then tax revenues and income from cryptocurrency transactions will decline.

Getting the government to start crypto and blockchain technology initiatives would be costly. Based on the expenses, many people would oppose the government's development of blockchain technology. As a result, it could be beneficial to include in the same piece of legislation expenditures on blockchain development and legislations that aim to control crypto markets. This would allow for the costs of blockchain development to be funded by new tax revenues. The present political environment, in which central stimulus and infrastructure measures are being discussed and enacted, may make the expenses less of a hurdle than they would have been in the past. Nevertheless, one of the most crucial considerations is the expense of the blockchain development plans.

## 7. CONCLUSION

In this day and age, when innovative new technologies are continually appearing all around us, Pakistani lawmakers have taken on a more creative role in the state economy. Akin to how things were in the early 1990s when the internet first became popular. There is a lack of clarity on the course that the development of cryptography technology will take in the years to come. The primary factor in its formation is the policies of the government. Legislators have a recent history of showing them the benefits of policies that support growth and allow new technologies to flourish, as it's done in United State. On the other hand, cryptocurrencies, which are abstracted from previous technological development, could be even more esoteric, chaotic, and unpredictable than before, just because of its illegal use.

This study objects to strike an equilibrium between security and economic growth by making law and regulations regarding cryptocurrency etc, to improve its efficiency and monitoring everything in the state to avoid corruption by accumulating information on cryptographic technology. it is crucial to consider how we can

best serve and safeguard our people. Bringing it in tax-net get benefits from cryptography technology, but don't gloss over the potential dangers and issues it may pose if allowed to flourish unchecked. Clarity is needed when considering the most productive techniques for regulating cryptocurrency markets to protect consumers and investors while promoting healthy growth.

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