

# BONUS RESOURCE 3

## The Self-Custody Holder's Bitcoin Tax Resource List

20 Tools, Books, and References That Actually Matter *KryptoWolf* | [www.kryptowolfbtc.com](http://www.kryptowolfbtc.com)

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*This list was curated specifically for self-custody Bitcoin holders — people managing their own wallets, dealing with complex transaction histories, and navigating the 1099-DA world. Everything here was chosen because it solves a real problem this book's reader is likely to face. General crypto resources that don't address self-custody realities are not included.*

*Tax laws, software features, and IRS guidance change frequently. Verify current details before acting on any resource below.*

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### SECTION 1 — IRS PRIMARY SOURCES

*(Always go to the source)*

**1. IRS Notice 2014-21** *irs.gov* — search "Notice 2014-21" The foundational IRS guidance establishing that cryptocurrency is property for federal tax purposes. Every other rule in this book flows from this document. Read pages 1–4. Bookmark it. When someone tells you Bitcoin is treated differently from what this book says, this is your reference.

**2. IRS Rev. Proc. 2024-28** *irs.gov* — search "Rev. Proc. 2024-28" The ruling that ended universal cost-basis pooling and established the wallet-by-wallet requirement effective January 1, 2025. If you moved Bitcoin between wallets before 2025, this document governs your safe harbour transition options. Chapter 7 of this book walks through it — but having the primary source available is essential for any conversation with a CPA.

**3. IRS Publication 544 — Sales and Other Dispositions of Assets** *irs.gov/publications/p544* The general IRS guide covering capital gains and losses. Bitcoin disposals are reported using the same framework as other property sales. Pages covering holding periods, basis calculation, and Form 8949 instructions are directly applicable.

**4. IRS Form 8949 Instructions** *irs.gov* — search "Instructions for Form 8949" The line-by-line instructions for reporting capital gains and losses — which is exactly what you are doing when you report Bitcoin sales. Box A, B, and C designations (which boxes to check based on whether a 1099 was received) are explained here and nowhere else adequately.

**5. IRS Frequently Asked Questions on Virtual Currency** *irs.gov* — search "virtual currency frequently asked questions" The IRS's own plain-language explanation of how common crypto

transactions are treated. Updated periodically. The question-and-answer format makes it useful for quickly verifying the treatment of specific scenarios: airdrops, forks, mining, gifts.

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## SECTION 2 — TAX SOFTWARE FOR SELF-CUSTODY HOLDERS

*(Not all crypto tax software handles self-custody well — these do)*

**6. Koinly** *koinly.io* One of the most widely used crypto tax platforms, with strong support for wallet imports via CSV and blockchain API. Handles the self-custody transfer problem better than most — it can identify when a send and receive represent the same transaction across your own wallets and avoid double-counting. The free tier calculates gains; paid tiers generate the tax forms you need. Start here if you are new to crypto tax software.

**7. CoinTracker** *cointracker.io* Strong alternative to Koinly with a clean interface and broad exchange integration. Particularly useful if you have a large number of DeFi transactions, though that is less common for pure self-custody Bitcoin holders. Offers direct integration with TurboTax, which simplifies the filing step if you are self-filing.

**8. Bitcoin.tax** *bitcoin.tax* One of the older platforms in the space — which matters because it has handling for historical exchange data from platforms that have since closed or changed their export formats. If you have transactions from exchanges that no longer exist or have changed significantly, this platform's manual entry options and historical price feeds are useful. Less polished than Koinly but more flexible for edge cases.

**9. Cryptotrader.tax (now CoinLedger)** *coinledger.io* Strong 1099-DA reconciliation features, which is directly relevant given the book's Chapter 13. The platform explicitly helps users reconcile broker-reported figures against their own records — useful for self-custody holders whose 1099-DA may show missing or incorrect cost basis.

**10. Sparrow Wallet (for transaction records)** *sparrowwallet.com* Not a tax tool — but essential for self-custody holders who need clean, exportable transaction records from their Bitcoin wallets. Sparrow connects to hardware wallets and full nodes and provides detailed, exportable transaction histories with dates, amounts, and addresses. The output feeds directly into the tax software above. If your hardware wallet companion app provides limited export options, Sparrow is the solution.

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## SECTION 3 — BOOKS AND LONG-FORM REFERENCES

**11. *The Book on Advanced Tax Strategies* — Amanda Han & Matthew MacFarland** *Available on Amazon* Written for real estate investors, but the treatment of capital gains, tax bracket management, and loss harvesting strategies transfers directly to Bitcoin holders with significant gains. The chapters on income stacking and bracket management are directly

applicable to the scenarios in Chapters 9 and 12 of this book. Read it after this one if your gains are above \$100,000.

**12. *Tax-Free Wealth* — Tom Wheelwright** *Available on Amazon* A foundational text on legal tax reduction written in plain English. Does not cover Bitcoin specifically, but provides the philosophical and structural framework for thinking about tax as a designed system rather than an obligation — which is the mindset shift Chapters 9–12 of this book are built on. Particularly useful for holders thinking about entity structures and long-term tax planning beyond individual-year optimisation.

**13. *The Taxpayer's Comprehensive Guide to LLCs and S Corps* — Jason Watson** *Available on Amazon* Relevant if you are considering holding Bitcoin through a business entity or if your income level makes entity-based tax strategies worth exploring. The section on pass-through taxation and compensation planning is relevant once your Bitcoin gains routinely exceed \$75,000 per year.

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## SECTION 4 — PROFESSIONAL GUIDANCE AND DATABASES

**14. AICPA Digital Asset Resources** *aicpa-cima.com* — *search "digital assets"* The American Institute of CPAs maintains a resource library specifically for practitioners working with digital assets. Useful for two reasons: it helps you understand what a qualified CPA should know before you hire them, and it links to practitioner guidance that is closer to the regulatory edge than most public resources.

**15. Coin Center** *coincenter.org* A non-profit research and advocacy organisation focused on cryptocurrency policy. Their research library covers IRS guidance, congressional activity, and regulatory developments in plain language. Particularly useful for tracking changes to wash-sale rules, 1099-DA requirements, and any proposed legislation that would affect the strategies in this book. Subscribe to their newsletter — when something changes that matters to self-custody Bitcoin holders, they cover it early.

**16. Gordon Law Group — Crypto Tax Blog** *gordonlawltd.com/blog* One of the more substantive practitioner blogs covering cryptocurrency taxation. Articles are written by attorneys and CPAs rather than marketing staff, and they cite primary sources. Particularly strong on edge cases: missing records, exchange insolvencies, hard forks, and international holders. Use it to research specific situations not fully covered in this book.

**17. TaxBit Resource Center** *taxbit.com/resources* TaxBit's educational content is useful for understanding how the 1099-DA framework works from the exchange's perspective — which matters when you are trying to reconcile what a broker reports against what you know your transactions to be. Their coverage of the broker reporting rules is more detailed than most public resources.

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## SECTION 5 — TOOLS FOR RECORD-KEEPING AND TRACKING

**18. Bitcoin Block Explorer (Mempool.space)** *mempool.space* A free Bitcoin blockchain explorer that lets you look up any transaction by TXID or wallet address. Essential for reconstructing historical transaction records when exchange records are incomplete or unavailable. If you know your wallet addresses, you can retrieve complete transaction histories going back to the genesis of each address. This is the starting point for anyone rebuilding cost-basis records from scratch.

**19. Google Sheets or Microsoft Excel** (*Google Workspace or Microsoft 365*) No software subscription replaces a well-structured spreadsheet for maintaining the Master Transaction Log described in Chapter 8. The advantage is complete control over fields, formatting, and audit trail. The disadvantage is that it requires discipline and manual entry. Use this for your primary records and import to tax software for calculations. The workbook at [www.kryptowolfbtc.com](http://www.kryptowolfbtc.com) includes a ready-to-use template.

**20. IRS Tax Withholding Estimator** *irs.gov/individuals/tax-withholding-estimator* A free IRS tool for estimating your total tax liability for the year, including capital gains from Bitcoin disposals. Particularly useful mid-year when you are evaluating whether to make a disposal before year-end — you can model the impact of an additional sale on your total tax bill before committing. Use it alongside the Rate Optimisation Planner from Chapter 9.

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 **Download this resource list as a formatted PDF — with clickable links and quarterly update notes — at:**

[www.kryptowolfbtc.com](http://www.kryptowolfbtc.com)

*Resources are reviewed and updated twice per year. Tax law changes fast. The downloadable version reflects the most current information.*