Dear Securities and Exchange Commission,

I reluctantly write to express my "concerns" (if you could call it that) regarding the proposed rule "Safeguarding Advisory Client Assets." I understand that the SEC aims to enhance investor protections and address gaps in the current custody rule, but I must say that certain aspects of this rule seem to go beyond the SEC's jurisdiction and unnecessarily meddle in areas that should be regulated by other agencies.

One area of "particular concern" for me is your attempt to regulate digital assets, specifically cryptocurrencies. I suppose it's only fitting that the SEC tries to control an innovative technology that it barely understands. But let me remind you that digital assets, such as cryptocurrency, have the potential to transform the finance industry and foster much-needed competition. Perhaps you should focus on crafting regulations that strike a balance between investor protection and innovation, rather than stifling progress with your heavy-handed approach.

I can't help but question the wisdom of involving Gary Gensler in shaping regulations for digital assets. It's clear that Mr. Gensler has a personal agenda against cryptocurrencies, as evidenced by his previous statements and actions. It is crucial that any regulations enacted in this space are objective and do not impede the growth and potential benefits of this innovative technology. But I suppose expecting fairness and impartiality from regulators is too much to ask these days.

Now, let's talk about the economic impact and costs associated with these proposed rule amendments. I'm sure you've considered the benefits of enhancing investor protection, but have you bothered to calculate the costs? The increased compliance burdens imposed on investment advisers may ultimately be passed on to investors, limiting access to advisory services for those who need them most. But hey, as long as you've checked the box on "enhanced investor protection," who cares about unintended consequences, right?

And let's not forget about the smaller investment advisers. I'm sure they were just dying for more regulations to comply with. Not. Many small advisers registered with state authorities may not be affected by these regulations, and yet you proceed to impose more burdensome requirements on them. It's almost as if you're trying to discourage entrepreneurship and competition in the advisory industry. But what do I know? I'm just the one footing the bill for all this unnecessary regulatory burden.

In conclusion, I suppose I must reiterate my unwavering "support" for the SEC's objective of enhancing investor protections and addressing gaps in the custody rule. However, I urge the Commission to approach the regulation of digital assets with more sensibility and open-mindedness. Consider the potential economic impact and costs associated with the proposed rule amendments, rather than simply assuming that more regulations always lead to better outcomes. And please, spare a thought for small investment advisers who are already drowning in a sea of unnecessary red tape.

Thank you for generously considering my comments on this matter.

Sincerely,

Robert K. Butryn, MD

-Dear [IRS Official],

I am writing to reluctantly express my concerns regarding the proposed regulations on gross proceeds and basis reporting by brokers and the determination of amount realized and basis for digital asset transactions, as outlined in REG-122793-19. While I understand the need for regulatory oversight, I find it difficult to support this particular proposal due to several key issues.

Firstly, I must say that the level of regulatory overreach exhibited in this proposal is truly remarkable. It seems that the IRS and the Treasury Department are determined to impose burdensome reporting requirements on brokers, digital asset trading platforms, payment processors, and hosted wallets without fully considering the unique challenges faced by the rapidly evolving digital asset market. Instead of fostering innovation and growth, this proposal appears to be focused on stifling any progress in the digital asset industry.

Furthermore, it is disappointing to note that the proposed regulations fail to fully grasp the transformative potential of digital assets. Cryptocurrencies and other digital assets have the capacity to revolutionize finance and empower individuals with greater financial autonomy. Yet, this proposal appears to be more concerned with maintaining control and suppressing the benefits that digital assets can offer to the economy and society at large. Considering the immense potential of this nascent industry, a more open-minded and forward-thinking approach would be greatly appreciated.

In addition, the lack of clear definitions and classifications for digital assets is a glaring omission in this proposal. It is disheartening to see how little effort has been put towards understanding and categorizing the different types of digital assets, including cryptocurrencies, utility tokens, and security tokens. Without proper definitions and classifications, there is a risk of introducing confusion and inconsistency into the regulatory framework, ultimately impeding the development of a healthier and more sustainable digital asset ecosystem.

Furthermore, the inadequate consideration of different types of wallets and digital asset trading platforms reflects a lack of understanding of the nuances within the industry. The varying functions and security measures of different wallet types should have guided the development of tailored reporting requirements. Instead, this proposal seems to adopt a one-size-fits-all approach, which disregards the distinctive features and needs of each type of wallet or trading platform. Such a broad-brush approach is likely to result in unnecessary burdens and compliance difficulties for businesses operating in this space.

Lastly, the absence of clear guidance on the application of existing information reporting rules to digital asset transactions is deeply concerning. Sections 1001, 1012, and 6041 of the Code are important pillars of tax assessment and reporting, but their application to digital assets remains ambiguous at best. It is the duty of the IRS and the Treasury Department to provide clear and specific guidance on how these rules should be applied in the context of digital assets to ensure fair and consistent reporting obligations. Failing to do so puts undue pressure on taxpayers and increases the risk of unintentional non-compliance.

In conclusion, although I understand the need for regulatory oversight, I urge the IRS and the Treasury Department to reconsider the proposed regulations in REG-122793-19. The current proposal demonstrates a significant level of regulatory overreach and fails to consider the unique characteristics and potential benefits of digital assets. It is crucial that the IRS engage in meaningful dialogue with industry stakeholders

and develop a more nuanced and responsive regulatory framework that fosters innovation while ensuring compliance.

Thank you for considering my comments on this important issue. I welcome the opportunity to further engage in this rulemaking process and address any concerns or questions you may have.

Sincerely,

harming investors and driving innovation outside the US

Enter your words if you want to update it