



DARTE SERIES

Vienna 3.0

Initiated by Mariana de la Roche W. (BlackVogel) and Dr. Nina-Luisa Siedler (siedler legal), the DARTE Series is a high-level roundtable format designed to enhance legal clarity around digital assets, focusing on regulation, compliance, data protection, and market integrity.

The Vienna 3.0 DARTE edition took place on May 18th, 2026, at the Web3 Hub Vienna, in collaboration with the European Commission, Vienna Blockchain Week, and 3Folio. The roundtable gathered regulators, legal practitioners, and digital asset infrastructure providers to examine the accounting and tax reporting challenges emerging from the implementation of Web3 transaction frameworks and the DAC8 reporting regime.

The agenda focused on three themes: 1) the failure of traditional accounting

systems to scale for Web3 transactions, presented by Michael Schöngruber (3Folio); 2) information asymmetries between users and tax authorities in DAC8 reporting, presented by Marie Rinke (Möhrle Happ Luther); and 3) the challenge of correct classification of digital assets in DAC8 reporting, presented by Benjamin Fassel (PwC). The session opened with an overview of the OSCE's virtual asset related work by Zurab Sanikidze (OSCE), and concluded with closing remarks by Dr. Nina-Luisa Siedler.

We extend our sincere thanks to all speakers, participants, and institutional partners for their valuable contributions. The views presented in this report reflect the collective understanding of the participants and do not necessarily represent the official positions of individual attendees or rapporteurs.



Opening remarks by Zurab Sanikidze, OSCE

The session opened with an overview of the OSCE's virtual asset related work, presented by Zurab Sanikidze, situating the day's technical discussions within the broader international effort to build regulatory and institutional capacity around digital assets. The work was framed around four core objectives.

The first concerns the harmonization of standards and the alignment of domestic frameworks with international guidance, including FATF standards. The second is capacity building and institutional strengthening, supporting the institutions at the front line of virtual asset regulation and enforcement, including financial intelligence units, central banks, local banks, investigators, prosecutors, and judges. Many countries adopting virtual asset legislation are at a very early stage of development, where the foundational concepts are not yet well defined and the practical capacity to regulate and investigate is still being built. The OSCE works across the full range of these institutions, from supervisory and regulatory authorities through to investigative and judicial bodies, to strengthen their ability to operate effectively in this space.

The third objective is international cooperation, whether bilateral or multilateral, supporting conferences, studies, and exchanges, and drawing on a wide pool of experts from diverse backgrounds. This cross-jurisdictional exchange allows beneficiary institutions to learn from how particular challenges, such as the taxation of virtual assets, have been

approached in other countries. A recent example highlighted was a high-level discussion in Central Asia on passporting and mutual recognition, examining the lessons learned from the EU framework and the extent to which they might be relevant and helpful to Central Asian jurisdictions.

Underpinning all of this is a recognition that enforcement and implementation in practice remain the most challenging dimension of the work. Translating international standards into domestic legislation, national risk assessments, and ultimately into effective enforcement takes time, but there are concrete success stories. The OSCE also works closely with private companies through public-private partnerships, and coordinates with partner organizations including the OECD and within multi-stakeholder coalitions, in order to develop solutions collaboratively and ensure complementarity across the different international actors working in this space.

The presentation closed with an open invitation to the experts in the room: those working in these areas were encouraged to apply to the OSCE's periodic roster calls, through which it draws on external expertise to support beneficiary institutions in their day-to-day work, including through the provision of blockchain analytical tools to help trace and investigate illicit activity.

1. Why Traditional Accounting Systems Fail to Scale for Web3 Transaction Compliance

The first topic was presented by Michael Schöngruber (3Folio) and addressed a practical challenge confronting every tax advisor and auditor tasked with recording and reviewing Web3 transactions: traditional accounting and ERP systems are not designed to process blockchain activity on a transaction-by-transaction basis, and this constraint is becoming a material barrier to the institutional adoption of digital asset technologies.

The core of the problem lies in transaction volume and granularity. Due to short block times, smart contracts, and DeFi processes, even low levels of activity can generate hundreds of transactions in a short period. A single Web3 transaction, which may appear as one event to the user, often translates into three to four or more accounting entries under traditional bookkeeping standards, once gas fees, smart contract interactions, and automated DeFi processes are accounted for. As a result, an active user can quickly generate between 50,000 and 200,000 accounting lines per year, a volume typically associated only with large enterprises. Where users rely on trading bots, the figures can reach thousands of transactions per day. Processing these volumes together with the supporting documentation and audit evidence required for compliant bookkeeping would overwhelm traditional systems both technically and operationally, significantly increasing costs and reducing auditability, and making it nearly impossible to meet regulatory requirements for timely, transaction-level

bookkeeping in an economically viable way.

The practical solution presented was a dedicated upstream system that sits between the blockchain and the traditional accounting or ERP environment. This layer processes, categorizes, validates, and documents blockchain transactions granularly at booking-line level, storing the underlying entries in a revision-safe manner protected against subsequent modification. Transactions are then aggregated on a rule-based, transaction-type-specific basis, for example, grouping all airdrops, rewards, income, or fee entries from a wallet into separate daily summary bookings, which are transferred to the accounting system as summarized journal entries. This preserves the underlying accounting logic while drastically reducing the number of booking lines, and an automated supporting document can be generated to ensure that the information required for an initial audit review is already available directly within the accounting system. Where more detailed audit or compliance scrutiny is required, the upstream system can provide the full transaction-level data and audit trail at any time, keeping the books readable, auditable, and operationally manageable without overwhelming the traditional system.

The discussion that followed confirmed the problem as a live and widely shared one. Tax practitioners around the table described clients with high volumes of small fee-income transactions that cannot realistically be recognized individually, leading to non-compliant workarounds such as maintaining parallel Excel documentation and informing tax

authorities that this represents the best achievable approach. Participants emphasized that the challenge is compounded by the diversity of DeFi strategies, staking, lending, yield farming, and liquidity provision, each of which carries different tax consequences and must be correctly normalized before the data can be brought into the right form for the applicable tax treatment. This normalization layer was identified as a significant source of complexity, and one that no major accounting tool currently handles in full.

A recurring theme was the importance of building a bridge between Web3 and the traditional financial world rather than a parallel accounting system designed solely for crypto. Participants agreed that as institutional adoption deepens and more assets move on-chain, Web3 will increasingly become part of the mainstream financial system, meaning the goal should be interoperability with the tools and standards already in use rather than a separate, isolated infrastructure. Several participants noted the commercial fragility of this space: building and maintaining integrations for each new blockchain or asset is expensive, demand for niche chains is limited, and the history of comparable reporting regimes has shown waves of new software providers entering the market only for a few to survive, leaving users exposed to the cost of migrating when a provider exits.

The discussion also surfaced an important distinction between the volume problem and the classification problem. For large enterprises, transaction volume alone is manageable; the more acute difficulty arises for smaller companies that wish to

add digital assets as a diversification or side activity but operate traditional ERP systems and limited accounting resources. For these businesses, the disproportionate bookkeeping burden, where a side activity generating 200,000 transactions can obscure the true purpose of a company in its books, can make Web3 adoption economically unviable. Participants stressed that the objective should be to enable the average company, not only large international institutions, to participate in the ecosystem without prohibitive compliance overhead.

Finally, the discussion connected the accounting challenge to the broader question of asset classification and the role of international standards. Participants noted that revenue recognition, rather than routine bookkeeping, is the genuinely complex exercise, particularly where the same instrument may fall under different treatments depending on its classification, for example whether a stablecoin is treated as a cash-equivalent under IAS 7 or as an intangible asset under IAS 38. Several participants highlighted the relative absence of international accounting standardization for crypto-assets compared to the more developed position on tax information reporting, and called for the industry to engage more actively with international standard-setting bodies such as the IFRS Foundation. The idea of a shared, community-maintained mapping, a living "wiki" or library translating standard Web3 transaction types into accounting and tax classifications, was revived as a practical interim measure, with the recognition that such a resource would need continuous maintenance and would

necessarily vary across jurisdictions where the underlying tax treatment differs.

Calls to Action regarding Web3 Accounting and Transaction Compliance

The key calls to action from the discussion are:

- **Adopt a standardized upstream aggregation layer at EU level:** Establish a common European standard for an upstream system that aggregates Web3 transactions into transaction-type-specific summary bookings while retaining full transaction-level data and a revision-safe audit trail, so that compliant bookkeeping remains economically viable for businesses of all sizes rather than only large enterprises.
- **Build a shared, jurisdiction-aware transaction mapping library:** Create a continuously maintained industry library that maps standard Web3 transaction types (staking, lending, yield farming, liquidity provision, airdrops, rewards) to their accounting and tax classifications, structured to accommodate member-state differences and updated as new DeFi strategies emerge.
- **Engage the IFRS Foundation on crypto-asset accounting standards:** Convene the industry to push for international accounting guidance through the IFRS Foundation, prioritizing consistent treatment of stablecoins and EMTs across IFRS categories (IAS 7 cash-equivalent versus IAS 38 intangible) and a continuity principle protecting justified, good-faith classifications from retroactive challenge.

2. Information Asymmetries between Users and Tax Authorities in DAC8 Reporting

The second topic was presented by Marie Rinke (Möhrle Happ Luther) and addressed the structural information asymmetry arising from DAC8 reporting obligations: the imbalance between the extensive crypto-transaction data transmitted automatically to tax authorities, often in aggregated form, and

the limited transparency available to the affected users.

The core of the problem is that DAC8 reporting requires extensive crypto-transaction information to be reported automatically to tax authorities, frequently in aggregated form, without users necessarily knowing the precise content, interpretation, or downstream use of the reported information. The DAC8 framework itself contains only

limited explicit transparency mechanisms, with the result that user access to reported data derives primarily from general GDPR-based information rights. Tax authorities, for their part, are generally not required to proactively disclose the precise content of the reports they receive, the underlying risk indicators, or the manner in which the data is evaluated for tax purposes. This creates substantial practical difficulties for taxpayers attempting to identify and correct errors relating to wallet attribution, market valuations, tax residency, or the classification of self-hosted wallet transfers, particularly where reports contain only aggregated transactional information rather than complete transactional context. The consequence is that taxpayers may face audits, adverse inferences, or even tax estimates under domestic procedural law where they are unable to reconstruct or challenge the underlying reported data and its interpretation by the authorities.

The solution presented proposed that crypto-asset service providers disclose to users the exact DAC8 data reported to tax authorities, supplementing aggregated reports with a transaction-level breakdown that allows users to identify which specific transfers, valuations, wallet attributions, and taxable events were included. In addition, standardized correction procedures and dedicated contact points should be established to enable taxpayers to challenge inaccurate data and request amendments, including mandatory response deadlines, documented correction workflows, and obligations to notify all recipient authorities of subsequent corrections. Ideally these safeguards would be

implemented through statutory transparency obligations under national DAC8 implementing legislation, with industry-wide voluntary standards serving as an interim solution where no explicit legal framework exists.

The discussion confirmed the existence of the information asymmetry described and drew extensively on the comparable experience under DAC2/CRS, which participants expected to repeat under DAC8. Practitioners noted that CRS reporting frequently results in follow-up requests and inquiries from tax authorities, and that similar audit activity should be expected once DAC8 reporting becomes operational. Concrete examples were shared of authorities in several jurisdictions issuing tax assessments directly on the basis of CRS reports, which capture gross proceeds rather than realized gains, placing a significant and costly burden on investors to demonstrate their actual taxable position. A further recurring difficulty was that correction reports submitted by financial institutions are not always recognized by receiving authorities, and that an amendment accepted in one jurisdiction may not be accepted in another for the same period, creating cross-border inconsistency.

A central point of consensus was that DAC8 is a transparency framework, not a taxation norm. The information reported under DAC8 does not by itself determine taxable income and cannot serve directly as a legal basis for taxation. Participants stressed the importance of making this distinction clear to tax authorities, noting that crypto-to-crypto transactions, which are not taxable events in some jurisdictions such as Austria, may

nonetheless be reported, and that authorities risk drawing incorrect inferences if they treat reported data as a measure of taxable gain. It was emphasized that DAC8 reports cannot replace tax calculations, and that taxpayers will continue to require specialized crypto tax tools and transaction reconciliation software to compute realized gains and prepare accurate returns. A related observation drew on the experience of tax administrations under CRS, where data pushed down to local offices was often not understood or usable by officers without specialized training, suggesting that upskilling within tax administrations will be necessary, and that industry may have a role to play in supporting that effort.

On transparency solutions, the discussion did not reach consensus on the original proposal that CASPs should proactively provide all DAC8-reported data to every user. Several participants, drawing on a parallel consultation experience with HMRC, raised the concern that automatically distributing complete reports could confuse taxpayers, generate substantial volumes of inquiries, and prove counterproductive where users cannot meaningfully interpret aggregated information. A distinction was also drawn between established financial institutions, well placed to issue customer statements, and crypto-native providers, many of which approach reporting through AML or compliance functions rather than tax expertise and may lack the internal data structure to produce transaction-level outputs on request, as illustrated by

examples of providers taking months to respond to cross-border information requests.

Notwithstanding the lack of consensus on automatic distribution, the group reached clear agreement that users must be able to obtain meaningful transparency where needed. Participants unanimously agreed that users should be able to request a transaction-level drill-down report enabling them to reconstruct how aggregated DAC8 values were built, and which individual transactions, valuations, wallet classifications, and transfers formed the reported figures. While existing GDPR-based information rights provide a legal basis for such access requests, several participants noted that these rights do not guarantee a practically useful reporting format or a meaningful explanation of aggregated information. Many participants therefore supported the idea that CASPs should provide a generic explanatory DAC8 report describing the aggregation logic, valuation methodologies, classification assumptions, and general reporting approaches applied, as a practical means of improving transparency without requiring the automatic distribution of full transaction-level data.

The discussion concluded that the challenge under DAC8 is not only the exchange of information itself, but the creation of mechanisms allowing taxpayers to understand, reconstruct, and challenge reported information where necessary.

Calls to Action regarding Information Asymmetries in DAC8 Reporting

The key calls to action from the discussion are:

- **Develop generic DAC8 explanatory reports across CASPs:** Encourage the development of standardized user-facing reports explaining the aggregation methodologies, valuation logic, classification approaches, and reporting assumptions applied under DAC8, drawing on shared industry best practices to improve transparency without requiring automatic distribution of full transaction-level data.
- **Ensure transaction-level drill-down capabilities on request:** Every CASP should ensure that users can obtain, upon request, a drill-down report allowing them to analyze and reconstruct how aggregated DAC8 reporting values were built from individual transactions, valuations, wallet classifications, and transfers.
- **Promote operational transparency beyond GDPR rights:** While GDPR rights provide a legal access mechanism, additional industry transparency standards should ensure that users receive understandable and practically useful reporting information, and that DAC8's character as a transparency framework, not a taxation norm, is clearly communicated to tax authorities to prevent incorrect inferences from reported data.

3. Extensive Reporting on Crypto Transactions and the Challenge of Correct Classification of Digital Assets

The third topic was presented by Benjamin Fassel (PwC) and addressed two interlocking challenges in the operationalization of DAC8/CARF reporting: the complexity of fiat conversion and valuation across the wide range of reportable transactions, and the difficulty of correctly classifying digital assets to determine which reporting regime applies.

On the first challenge, DAC8/CARF requires extensive reporting of information capturing crypto-asset-to-fiat, crypto-asset-to-crypto-asset, retail payment transactions, and certain other transfers. Each transaction must be reported in the fiat currency in which it was paid or received, and in the case of crypto-asset-to-crypto-asset transactions, the fair market value must be determined and reported in a single currency, valued at the time of each reportable transaction. This is particularly complex for crypto-to-crypto transactions, requiring extensive conversion rules for transactions

that may not even qualify as taxable events in the relevant jurisdiction, as is the case in Austria. It is not fully clear which conversion rates should be used, whether daily rates, average rates of the largest exchanges, or another methodology, which opens the door to divergent interpretations between CASPs. Compounding this, it is extremely difficult to classify digital assets and allocate them either as traditional financial assets reportable under DAC2/CRS or as crypto-assets reportable under DAC8/CARF. This classification is consequential, because entirely different information is reported under each regime, and there is a practical risk that the same asset is classified differently by different providers.

The second challenge draws on the experience under DAC2/CRS, where authorities receiving and interpreting reports have in certain cases issued tax assessments directly on the basis of those reports. This is in most cases incorrect, because the reports capture gross amounts rather than realized gains or net income, placing a significant burden on taxpayers to declare the correct realized position and avoid taxation of gross income. In the CARF context, this can become disproportionately complex given the extensive reporting requirements and the inherent complexity of calculating realized gains from crypto-assets.

The solutions presented were targeted. On conversion and valuation, certain simplifications could be made available to CASPs, such as reliance on publicly available conversion rates or daily average rates, reducing the operational burden and the scope for divergence. On

classification, a standardized database classifying the different assets could help reduce inconsistent treatment across providers. On the assessment problem, it should be made clear to authorities that the reported information serves only as an indication that a taxpayer trades in crypto-assets or earns income from crypto transactions, and is not a measure of taxable gain. Picking up the theme of the previous session, correction reports submitted by CASPs should be recognized and taken into account by receiving authorities.

The discussion that followed concentrated heavily on the classification problem, which was identified as the single most complex and unresolved dimension of the new reporting regimes. A central difficulty is that the same instrument can fall under different regimes depending on how it is regulated in a given jurisdiction. The same stablecoin may be reported one way in the EU, where it is regulated as an e-money token and treated as a cash-like instrument reportable under CRS, and differently in another jurisdiction where it is not so regulated and falls under the CARF framework. This means providers must track, for every asset, whether the asset is regulated as a cash-like instrument and therefore reportable under CRS rather than CARF, a tracking burden identified as a major reason providers are reluctant to build out reporting solutions. The interaction with the fallback question was also examined: where a provider is uncertain which regime applies, the choice of fallback carries consequences, including potential over-reporting and GDPR implications, given that CARF reporting is transaction-based and aggregated over the year while CRS reporting captures

account balances and gross proceeds at year-end.

A significant portion of the discussion addressed the structural weakness of industry representation in the international standard-setting processes that shape these rules. It was observed that the working groups developing OECD guidance are dominated by traditional financial institutions that have added digital assets, whose priorities, such as tokenized deposits, do not necessarily reflect the concerns of crypto-native providers. Crypto-native firms are underrepresented, often because they lack personnel with a tax or CRS background to send to these groups. This was connected to a broader observation that the crypto industry tends to organize in fragmented groupings that do not coordinate effectively, undermining its collective ability to secure adequate representation in global forums despite having substantial shared interests.

On potential solutions, the discussion considered whether an existing body such

as the Digital Token Identifier Foundation could undertake asset classification mapping if the industry provided funding and expertise. This was met with strong caveats: classification by an industry body does not bind regulatory authorities, which may disagree with a given classification, including retroactively, as illustrated by ongoing debates over the treatment of liquid staking tokens. It was also noted that tax classification is jurisdiction-specific and distinct from any single market's regulatory classification, meaning no central mapping could fully resolve the problem.

The discussion concluded candidly that, absent a globally unified legal and tax framework, there is no complete solution to the classification challenge, and that the realistic path forward lies in pragmatic simplifications on the basis of a reasonable approach, clear continuity principles protecting good-faith classifications, and stronger industry coordination, rather than in a single authoritative classification source.

Calls to Action regarding Crypto Transaction Reporting and Asset Classification

We thank all participants of the Vienna 3.0 DARTE event for contributing to the discussion:

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