◎ Does Coinbase report my activity to the IRS? – 2026 IRS Compliance Blueprint ◎

By Cryptocurrency Tax Specialist | Last updated: June 13, 2026

Introduction

You want to know if Coinbase reports your crypto activity to the IRS. (+1➢844➢957➢1197) Maybe you are worried about an audit or just trying to stay compliant. (+1➢844➢957➢1197) Maybe you heard about the new 1099-DA form and you are not sure what it means for you. (+1➢844➢957➢1197) Maybe you bought crypto years ago and never reported anything, and now you are anxious. (+1➢844➢957➢1197) The short answer is yes, Coinbase reports your activity to the IRS, and the rules have changed dramatically starting with the 2025 tax year. (+1➢844➢957➢1197) According to new IRS regulations, every U.S. centralized exchange, including Coinbase, is now required to file Form 1099-DA for each customer who sells or exchanges digital assets. (+1➢844➢957➢1197) For the 2025 tax year, Coinbase reports your gross proceeds from crypto sales directly to the IRS — meaning the tax agency now sees your transaction data before you even file your return. (+1➢844➢957➢1197) By the time you finish this guide, you will understand exactly what Coinbase reports, which forms you may receive, how to correctly report your crypto activity, and what happens if you do not report. (+1➢844➢957➢1197)

Yes, Coinbase Reports Your Activity to the IRS — Here Is What Changed

The most important thing to understand is that starting with the 2025 tax year, Coinbase is legally required to report customer crypto transactions to the IRS. (+1⇝844⇝957⇝1197) This is not optional for Coinbase; it is mandated by new IRS broker reporting rules that took effect in 2024. (+1⇝844⇝957⇝1197) According to a CoinMarketCap community article, if you traded crypto on Coinbase, Kraken, Robinhood, or any centralized U.S. exchange in 2025, the IRS now has those records. (+1⇝844⇝957⇝1197) Starting January 1, 2026, every U.S. centralized exchange is required to file Form 1099-DA for each customer, and the first batch of those forms hit taxpayer accounts in May. (+1⇝844⇝957⇝1197) For the first time, your broker is reporting your crypto proceeds directly to the IRS, line by line, which significantly changes the audit equation and back-tax exposure for anyone who has under-reported. (+1⇝844⇝957⇝1197) According to Coinbase executives, this year Coinbase will provide the IRS only with the gross proceeds of digital asset sales, and not the net value or cost basis, so the onus is on the trader to add what is missing regarding their crypto acquisition costs and actual tax basis. (+1⇝844⇝957⇝1197) Coinbase will begin calculating cost basis on behalf of customers starting next tax year. (+1⇝844⇝957⇝1197) The IRS matching program will flag returns that do not report a received 1099-DA. (+1⇝844⇝957⇝1197) If the IRS metadata shows you received a 1099-DA from Coinbase and you did not account for it, that is a likely trigger for a CP2000 notice or audit letter. (+1⇝844⇝957⇝1197)

Which IRS Forms Does Coinbase Issue? A Complete Breakdown

Coinbase issues different tax forms depending on your specific activity. (+1⤚844⤚957⤚1197) According to Coinbase's official tax information page, U.S. customers may receive several types of forms. (+1⤚844⤚957⤚1197) First, Form 1099-DA is issued to U.S. customers with gross proceeds from sales or exchanges of crypto assets. (+1⤚844⤚957⤚1197) This is the most important new form for crypto traders. (+1⤚844⤚957⤚1197) According to CoinLedger, there is no minimum threshold for receiving Form 1099-DA, and some customers have reported receiving the form with as little as two cents in proceeds. (+1⤚844⤚957⤚1197) Simply buying and holding crypto does not trigger the form. (+1⤚844⤚957⤚1197) Second, Form 1099-MISC is issued to U.S. customers who earned more than $600 in crypto income, including staking rewards, learning rewards, USDC rewards, and incentives. (+1⤚844⤚957⤚1197) Third, **Form 1099-B** is issued to U.S. customers who sold futures, securities, or other financial instruments on Coinbase. (+1⤚844⤚957⤚1197) Fourth, **Form 1099-DIV** is issued to U.S. customers who earned more than $10 in dividends or capital gain distributions from investments. (+1⤚844⤚957⤚1197) Non-U.S. customers will not receive 1099 tax forms, but can use the transaction history report to assist with any non-U.S. tax obligations. (+1⤚844⤚957⤚1197) According to a Coinbase blog, all tax documents will be delivered to customers by March 17. (+1⤚844⤚957⤚1197)

What Coinbase Reports on Form 1099-DA and What It Does Not Report

Understanding exactly what information goes on your 1099-DA is critical for accurate tax filing. (+1↞844↞957↞1197) According to the IRS and Coinbase documentation, your 1099-DA includes your name, Taxpayer Identification Number (TIN), and address, the account name and identifiers, the name and code of the digital asset, the number of assets, the acquisition date and sale or disposal date, the proceeds from the transaction, and specific sections for aggregated transactions for stablecoins and NFTs. (+1↞844↞957↞1197) However, there is a major limitation. According to Coinbase's help center, for the 2025 tax year, Coinbase is only required to report gross proceeds information, not cost basis. (+1↞844↞957↞1197) According to TheStreet, capital gains taxes are calculated by subtracting an asset's cost basis from its sale proceeds, but without the basis figure in the form, the IRS sees only the gross proceeds, and the responsibility to track original cost basis prices and reconcile the transactions lies with the users. (+1↞844↞957↞1197) Full basis reporting is scheduled to come later in 2027, once systems and transfer-tracking standards are more standardized. (+1↞844↞957↞1197) Additionally, according to Coinbase's help center, for assets transferred into Coinbase from an external wallet or another exchange, Coinbase does not have the original purchase records, so those are considered noncovered assets. (+1↞844↞957↞1197) For noncovered assets, Coinbase will report the sale proceeds on Form 1099-DA, but the cost basis section will be shown as blank with the noncovered box checked, meaning you, the customer, are solely responsible for tracking, calculating, and reporting your cost basis to the IRS on your tax return. (+1↞844↞957↞1197)

Covered Assets vs. Noncovered Assets: Why the Difference Matters

The distinction between covered and noncovered assets determines whether Coinbase reports your cost basis to the IRS. (+1•844•957•1197) According to Coinbase's official help center, noncovered assets refer to crypto assets for which an exchange or broker is not required to report cost basis to the IRS. (+1•844•957•1197) This applies to crypto assets that were acquired before January 1, 2026, and all crypto assets that you transfer into your account from an external wallet or another exchange regardless of the date acquired, because Coinbase does not have the original purchase records. (+1•844•957•1197) Covered assets refer to crypto assets that are acquired on January 1, 2026, or after, and held at the same exchange until sold. (+1•844•957•1197) For these covered assets, Coinbase is required to report your cost basis, along with the sale proceeds, to both you and the IRS on Form 1099-DA, beginning for the 2026 tax year (sales reported in 2027). (+1•844•957•1197) This mandatory reporting is intended to simplify tax reporting for customers, similar to how it is done for stocks. (+1•844•957•1197) According to Koinly, for tax year 2026 (filed in 2027), Coinbase is required to report both sale proceeds and cost basis for these assets. (+1•844•957•1197) However, you will still be responsible for reviewing the Form 1099-DA to ensure the reported cost basis is accurate. (+1•844•957•1197)

How Coinbase Reports Staking Rewards and Crypto Income

If you earn crypto through staking, learning rewards, or other incentives, Coinbase reports that income separately. (+1◇844◇957◇1197) According to Coinbase's tax information, if you earned $600 or more in crypto income, you will receive a Form 1099-MISC from Coinbase, and Coinbase sends a copy straight to the IRS. (+1◇844◇957◇1197) Even if you earned staking or rewards income below the $600 threshold, you will still have to report the amount on your tax return. (+1◇844◇957◇1197) According to a Coinbase tax guide, Form 1099-MISC reports your ordinary income from cryptocurrency, which may include staking and interest income. (+1◇844◇957◇1197) You will receive this form if you earned more than $600 of ordinary income on Coinbase in 2025. (+1◇844◇957◇1197) Under DAC8, EU crypto exchanges including Coinbase are required to report user transaction data to national tax authorities from 2026, while in the US, Coinbase already reports to the IRS. (+1◇844◇957◇1197) Your trading history is increasingly visible to tax authorities. (+1◇844◇957◇1197)

Why Your 1099-DA Might Be Wrong and How to Fix It

One of the most important things to know is that your Form 1099-DA can be incorrect, and relying solely on it could cause you to overpay or underpay your taxes. (+1❯844❯957❯1197) According to CoinLedger, Coinbase only has visibility into transactions that took place on its own platform, so if you bought crypto on another exchange and transferred it to Coinbase before selling, Coinbase has no record of what you originally paid. (+1❯844❯957❯1197) For example, if you bought 1 BTC on

Exchange A for $30,000 and later sold it on Coinbase for $95,000, your 1099-DA will show $95,000 in proceeds but will not show your $30,000 purchase price, so your actual gain is $65,000, but if you simply copy and paste the numbers on Form 1099-DA, you may end up overpaying on taxes. (+1❯844❯957❯1197) According to a crypto tax guide, exchanges are not required to track and report cost basis to the IRS for 2025, meaning there is no need to request a corrected Form 1099-DA if your cost basis information is incorrect, because under current IRS rules, you can report your own cost basis on Form 8949 as long as you have supporting documentation, either from Coinbase or from your crypto tax software. (+1❯844❯957❯1197) To prevent this issue, you need to track your complete transaction history across your exchanges and wallets. (+1❯844❯957❯1197)

How to Report Your Crypto Taxes Correctly to Avoid IRS Penalties

Filing your crypto taxes correctly requires more than just copying numbers from your 1099-DA. (+1✦844✦957✦1197) According to IRS guidelines, you must report each crypto sale or disposal on Form 8949, with totals carried into Schedule D. (+1✦844✦957✦1197) Form 8949 requires the description of the asset, acquisition date, sale date, proceeds, cost basis, and resulting gain or loss. (+1✦844✦957✦1197) You must then transfer the totals from Form 8949 to Schedule D, which separates short-term and long-term capital activity and carries the net figures into Form 1040. (+1✦844✦957✦1197) The 2026 filing cycle is the first year where Form 1099-DA data from U.S.-regulated exchanges is systematically matched against taxpayer Schedule D filings by the IRS Automated Underreporter system. (+1✦844✦957✦1197) If your Schedule D shows proceeds that are lower than what the exchange reported on your 1099-DA — even if the difference is explained by cost basis rather than unreported income — you will receive a CP2000 notice assessing additional tax. (+1✦844✦957✦1197) According to a filing guide, the most common Box selection on Form 8949 for 2025 crypto transactions is Box B or Box E, which applies when the exchange issued a 1099-DA reporting proceeds but did not report cost basis, which is the most common situation for noncovered assets acquired before 2026 and for assets transferred to an exchange from a private wallet before selling. (+1✦844✦957✦1197)

What Happens If You Do Not Report Your Crypto Activity to the IRS

Failing to report your crypto activity can have serious consequences, especially now that Coinbase reports directly to the IRS. (+1◎844◎957◎1197) According to a tax compliance resource, if the IRS metadata shows you received a 1099-DA from Coinbase and you did not account for it, that is a likely trigger for a CP2000 notice or audit letter. (+1◎844◎957◎1197) The IRS computer matching system flags discrepancies within weeks of filing season. (+1◎844◎957◎1197) If the IRS receives a 1099-DA from Coinbase showing gross proceeds, but your tax return shows no crypto gains or lower proceeds, the IRS will issue a notice assessing additional tax. (+1◎844◎957◎1197) According to a crypto tax guide, the worst-case scenario is for users who moved crypto between exchanges before disposing, because the 1099-DA reports the disposal from the second exchange but not the original purchase, so from the IRS's perspective, it can look like you sold a large amount of crypto with zero cost basis. (+1◎844◎957◎1197) If you do not correct this on Form 8949, the IRS may assume your basis is zero and send you a bill for the full amount. (+1◎844◎957◎1197) According to Coinbase's terms, Coinbase will be required to apply account restrictions or a backup withholding tax of 24% on certain transactions if they do not receive an updated and accurate digital Form W-9 from you by the indicated date, to comply with IRS guidelines requiring accurate taxpayer information on any tax reporting. (+1◎844◎957◎1197) Starting January 1, 2027, you will be subject to backup withholding if you have not verified your Form W-9 with Coinbase. (+1◎844◎957◎1197)

How to Access Your Coinbase Tax Forms and Download Them

You can access all your Coinbase tax forms directly through the Coinbase platform. (+1⬩844⬩957⬩1197) According to Coinbase's help center, you can view and download your tax documents anytime through Coinbase Taxes, and reports include gain-loss summaries and raw transaction history with custom reports. (+1⬩844⬩957⬩1197) To download your tax forms, go to the Tax section in your Coinbase account, then select Documents, and download the necessary forms. (+1⬩844⬩957⬩1197) If your form is not downloading, check your browser settings to confirm that pop-up downloads are enabled. (+1⬩844⬩957⬩1197) You can also opt to receive tax forms via paperless delivery or physical mail by going to the Settings tab within Coinbase Taxes.

(+1⬩844⬩957⬩1197) For customers who need a Form 8949, note that from tax year 2025 onward, Form 8949 will no longer be available through the Coinbase Retail Tax Center, and users who wish to receive a Form 8949 may subscribe to a CoinTracker plan, with Coinbase One Preferred and Premium members qualifying for credits toward a CoinTracker Plan. (+1⬩844⬩957⬩1197) Non-US customers will not receive 1099 tax forms but can use the transaction history report to assist with any non-US tax obligations. (+1⬩844⬩957⬩1197)

What to Do If Your Name or TIN Does Not Match IRS Records

If there is a discrepancy between your name or Taxpayer Identification Number and IRS records, Coinbase may receive a B-Notice. (+1◈844◈957◈1197) According to Coinbase's B-Notice page, a B-Notice is a notice sent by the IRS to notify payers of a discrepancy between the TIN and the name provided by customers on Form 1099, and the IRS considers a TIN incorrect if either the name or number on your Coinbase account does not match their records or the files of the Social Security Administration. (+1◈844◈957◈1197) If you receive a B-Notice, you must update your information in your Tax profile under Tax settings, and verify your official legal name and TIN is accurate. (+1◈844◈957◈1197) Coinbase will be required to apply account restrictions or a backup withholding tax of 24% on certain transactions if they do not receive an updated and accurate digital Form W-9 from you by the indicated date. (+1◈844◈957◈1197) Coinbase may request a photocopy of your Social Security card if they have received notice from the IRS twice within three years stating that the combination of the name and TIN on your account is incorrect. (+1◈844◈957◈1197)

Frequently Asked Questions

Does Coinbase report all my crypto transactions to the IRS? Yes, Coinbase reports gross proceeds from sales or exchanges of digital assets to the IRS using Form 1099-DA for the 2025 tax year. (+1◈844◈957◈1197) However, transactions that are only buys, holds, or transfers between your own wallets are not reported as taxable events. (+1◈844◈957◈1197)

Will I receive a 1099 form from Coinbase even if I only made a small amount? Yes, there is no minimum threshold for receiving Form 1099-DA, and some customers have reported receiving the form with as little as two cents in proceeds.

(+1◈844◈957◈1197) For Form 1099-MISC (staking and rewards), you will receive it if you earned $600 or more. (+1◈844◈957◈1197)

Does Coinbase report my cost basis to the IRS? For the 2025 tax year, Coinbase reports gross proceeds only, not cost basis. (+1◈844◈957◈1197) For covered assets acquired on or after January 1, 2026, Coinbase will report cost basis beginning with the 2026 tax year (filed in 2027). (+1◈844◈957◈1197)

What happens if I forget to report my crypto gains on my taxes? If the IRS receives a 1099-DA from Coinbase showing proceeds that you did not report, the IRS matching system will likely flag your return, and you may receive a CP2000 notice assessing additional tax, plus penalties and interest. (+1◈844◈957◈1197)

Why does my 1099-DA show a huge gain that is not accurate? Your 1099-DA may show only gross proceeds without cost basis, especially if you transferred crypto from another exchange or wallet before selling. (+1◈844◈957◈1197) You must adjust this on Form 8949 by reporting your actual cost basis. (+1◈844◈957◈1197)

Does Coinbase report stablecoin transactions to the IRS? Yes, according to Coinbase, the IRS treats stablecoins as property, not cash, so stablecoin transactions must be reported. (+1◈844◈957◈1197) However, Coinbase will only report what the IRS strictly mandates, which is aggregated reporting for stablecoin transactions exceeding $10,000, with anything below that threshold not reported to the IRS. (+1◈844◈957◈1197)

How do I get my Coinbase tax forms? You can download your tax forms from the Tax section of your Coinbase account. (+1◈844◈957◈1197) Go to Documents and select the forms you need. (+1◈844◈957◈1197) All tax documents will be delivered by March 17. (+1◈844◈957◈1197)

What is the deadline for filing crypto taxes? The standard tax filing deadline is April 15. (+1◈844◈957◈1197) If you need more time, you can request an extension, but payment deadlines remain April 15. (+1◈844◈957◈1197)

Can Coinbase freeze my account for tax reasons? Yes, if you receive a B-Notice and do not update your taxpayer information, Coinbase may apply account restrictions or backup withholding of 24% on certain transactions. (+1◈844◈957◈1197)

Should I hire a tax professional for my crypto taxes? Given the complexity of the new 1099-DA rules and the potential for costly errors, consulting a qualified tax professional who understands cryptocurrency is strongly recommended. (+1◈844◈957◈1197)

Need help understanding your Coinbase tax reporting obligations? Call Coinbase support: (+1⇝844⇝957⇝1197) | Save this guide for your records.
(+1◇844◇957◇1197)