

119TH CONGRESS
1ST SESSION

H. R. 2982

To amend the Internal Revenue Code of 1986 to modify the application of the sourcing rules for digital asset income of Puerto Rican residents.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2025

Ms. VELÁZQUEZ (for herself, Ms. OCASIO-CORTEZ, and Mrs. RAMIREZ) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to modify the application of the sourcing rules for digital asset income of Puerto Rican residents.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Taxation of Dig-
5 ital Assets in Puerto Rico Act of 2025”.

6 **SEC. 2. TREATMENT OF DIGITAL ASSET INCOME BY PUER-**
7 **TO RICAN RESIDENTS.**

8 (a) IN GENERAL.—Section 865 of the Internal Rev-
9 enue Code of 1986 is amended by redesignating sub-

1 sections (i) and (j) as subsections (j) and (k) and by in-
2 serting after subsection (h) the following new subsection:

3 “(i) DIGITAL ASSET INCOME OF PUERTO RICAN
4 RESIDENTS.—

5 “(1) IN GENERAL.—Notwithstanding any other
6 provision of this title, in the case of an individual de-
7 scribed in section 933, any income derived in con-
8 nection with—

9 “(A) any receipt of any digital asset in
10 connection with—

11 “(i) mining, staking, or any similar
12 activity with respect to any digital asset, or

13 “(ii) holding any digital asset (includ-
14 ing any fork or air drop of any digital
15 asset), or

16 “(B) any sale, exchange, or other disposi-
17 tion of a digital asset,

18 shall not be treated for purposes of this title as de-
19 rived from sources within Puerto Rico.

20 “(2) TREATMENT OF FINANCIAL INTERESTS.—

21 For purposes of this subsection, any financial inter-
22 est in a digital asset shall be treated as a digital
23 asset.

24 “(3) DIGITAL ASSET.—For purposes of this
25 subsection, the term ‘digital asset’ means any digital

1 representation of value which is recorded on a cryp-
2 tographically-secured distributed ledger.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

○