Table of Contents

TAB 1: Crypto Currency 1

Airdrop 2

Altcoin 2

Bitcoin 2

Block 2

Blockchain 2

Cold Storage or Wallet 2

Conventional Currency 3

Cryptocurrency 3

Cryptocurrency Wallet 3

DeFi 3

Dividend Earning Tokens 3

Fiat Currency 3

Gas 3

Hacks or Thefts 3

Hard Fork 4

HODL 4

Hot Storage or Wallet 4

Initial Coin Offering 4

Lending 4

Microtask 5

Mining 5

Node 5

Non-Fungible Tokens (NFT) 5

Creation and sale of NFT’s 5

Rental income from NFT’s 6

NFT Royalties 6

Private Key 6

Soft fork 6

Stablecoin 6

Staking 7

Staking Pools 7

Token 7

Whale 7

How do you invest in cryptocurrency? 8

Exchange Fees 11

Cryptocurrency Mining 12

Mining Pools 12

Helium Mining 16

Federal Tax Guidance 17

Schedule C 20

FAQ on Virtual Currency 22

Jarrett v. US 25

Infrastructure Act of 2021 25

Foreign Reporting 26

Foreign Countries 28

Other Governmental Activity 28

Updated Client Letter 29

Businesses accepting cryptocurrency 30

Comprehensive Example 1-Retail Business 30

Form 1040 31

Schedule 1 33

Schedule 2 35

Schedule 3 37

Schedule A 38

Schedule C 39

Schedule D 41

Form 8949 43

Schedule SE 44

Form 6251 45

Form 8880 46

Form 8995 47

Example 2-Mining, Airdrops, staking, lending, dividends, FATCA 49

Form 1040 50

Schedule 1 52

Schedule 2 54

Schedule B 56

Schedule C 57

Schedule D 58

Form 8949 60

Schedule SE 62

Form 8938 63

Form 4562 65

Form 8995 66

Example 3-Wages paid in crypto 68

Example 4-Developing, Minting and Selling NFT’s 69

Crypto disaster - client email 72

TAB 2: Technology 77

Useful Software Tools 77

[www.gruntworx.com](http://www.gruntworx.com) 78

Multi-Port Adapters 80

AMAZON ECHO SHOW 10-3rd gen 80

Windows 11 81

RescueTime 82

Adding Audio Comments to PDF 83

TeamUp Cloud Based Multiple User Calendar 84

OlumiRing 85

Asus ZenScreen Portable Monitor-Touch Screen and Internal Battery 86

Samsung 49” Curved Monitor 87

Multiple Monitors for Laptops 88

[www.intercom.com](http://www.intercom.com) 89

[www.Google.com/business](http://www.Google.com/business) 90

Fullive waterproof/fireproof document Bags 92

Mission Darkness EMP Bag 93

CHECKLIST OF ITEMS TO PROTECT FROM FIRE, FLOOD, EMP 94

Remote Access Software 95

[www.techradar.com](http://www.techradar.com) 96

Case Study of Remote Work Situations 97

TaxSpeaker® 2022 Emergency Guide to Remote Work Situations 98

TAB 3: Security 99

Introduction 99

Definitions 100

Identifying the Risks 103

What are the threats? 103

What Needs to be Protected? 104

Cyber Risk 104

STEP #1 OBTAIN CYBER-LIABILITY INSURANCE POLICY 104

4 components of a cyber policy 104

The IRS 106

Gramm Leach Bliley Privacy Act 108

TaxSpeaker® Information Security Policy 111

Penetration Testing and Vulnerability Scanning 111

External Penetration Test 113

Software and Application Security 117

Secure Email 117

7 Simple Steps to a more secure office E-Mail system 199

Blocking files from running automatically from a USB drive 122

TaxSpeaker® Computer & Internet Policy 124

Protection of Electronic Data 130

The Difference between Anti-Virus and Security Suite Software 130

Security Suite Software Recommendations 130

Hard Drive Encryption 134

Password Protection and Sharing 135

Multi-Factor Authentication 139

Password Protecting individual Adobe/Word/Excel files 140

Windows Logins and Users 141

Firewalls 143

Protecting and Maintaining the Computer System 144

Disk Cleanup 147

Windows 10 Security Issues 148

Google Privacy Issues 150

Virtual Private Networks 151

Part 2 Protecting People and Physical Assets 153

2022 Security Checklist 154

Point 1 Locked Exterior & Interior Access Doors 158

Point 2 Secure Exterior Lockbox for Drop-Off 161

Point 3 Highly Visible Fire Extinguishers 161

Point 4 Up to Date First Aid Kits 162

Point 5 High Power LED Flashlights 162

Point 6 Maintain Exit Signs and keep exits clear of obstruction 163

Point 7 Air Horn for front line employees 163

Point 8 Emergency calling list 163

Disaster plan 164

Point 9 Establish secure safe assembly area/ notification system 165

Physical Asset Security 166

Disaster Planning Checklist 170

Mobile Security 171

Comment on Telecommuting Employees 172

2022 TaxSpeaker® Telecommuting and Remote Work Policy 173

Internet Access 173

Workplace Surroundings 174

Honeypot Wi-Fi networks 176

Packet sniffing 177

Shared Folders 177

Wireless Systems 179

1. Change Default Administrator Passwords 179

2. Turn on (Compatible) WPA3 Encryption 179

3. Change the Default SSID 179

4. Enable MAC Address Filtering 180

5. Disable SSID Broadcast 180

6. Disable Guest Networks 180

7. Assign Static IP Addresses to Devices 181

8. Position the Router or Access Point Safely 181

9. Turn Off the Network During Extended Periods of Non-Use 181

10. Consider a network monitoring application 181

11.Change the router’s IP address to be non-standard 181

DATA PROTECTION & CONFIDENTIALITY-Part 5 Backup 182

5 Basic Backup Rules 182

IDENTITY THEFT 184

Steps 1-8 185

The “IRS Collection” Phone Scam 186

Avoiding Identity Theft-Businesses 187

Avoiding Identity Theft-Individuals 188

TAB 4: New Economy 189

Introduction 189

The Internet Economy 191

Overall Concepts for the New Economy 191

Sales of Personal Property 191

Bartering 191

Mixed-Use Property 193

Listed Property 193

Real Property 195

Business Use of Home 195

Hobby Rules 197

Active versus Passive Activities 197

At-Risk Rules 198

Transportation Networking Companies 199

How Does It Work? 199

Income Reporting 200

Auto Expenses 202

Other Expenses 204

Business or Hobby 204

Other Considerations 204

Internet E-Commerce Sites 206

How Does It Work? 206

Income Reporting 206

Inventory Rules for Business Transactions 208

Other Expenses 208

Hobby Rules 208

Rentals of Personal Property 210

How Does It Work? 210

Income Reporting 210

Expenses 210

Hobby Rules 211

Other Considerations 211

Other Internet Based Businesses 212

DogVacay, TrustedHousesitters, Pet Boarding and Housesitting 212

LendingClub, Kiva, Peer to Peer Lending 213

Kickstarter, Indiegogo, Business Investment 213

GoFundMe, Giveforward, Crowd Funding Sites 214

Fiverr, Taskrabbit, Service Sites 214

HomeDine, EatWith, Dining Sites 215

Social Media Influencers 215

YouTube Stardom 215

Rentals of Vacation Property 216

How Does It Work? 216

Income Reporting 216

Dwelling 216

Short Term Rental Definition 217

Personal Use 217

Renting a Portion of the Whole 218

Used as a Home, Less Than 15 Days Rented 218

Not Used as a Home 219

Vacation Home Rules IRC Code Sec 280A 219

Not Rented for Profit 227

Hotels, Motels, Inns, Transient Lodging 227

Dwellings that are not Real Property 228

Passive Activity Rules under IRS Code Sec 469 228

Self-Employment Tax 229

Depreciation Issues 229

Dispositions of Mixed-Use Property 230

Principal Residence Sale 230

Principal Residence, Separate Structure Sale 230

All Other Sales or Trades 230