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# The Legitimacy of Tax Imposition on Bitcoin in the Commodity Futures Exchange

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**ABSTRACT:** Bitcoin is ctyptocurrency assets traded on the physical market of cryptocurrency assets on commodity future exchanges. The purpose of this research is to determine and explore the legal status and regulations regarding taxation of bitcoin conducted on commodity future exchanges. This research is conducted of secondary using a normative juridical method, which involves the use and collection of secondary data and focuses on legal regulations. The result of the research indicate that the legal status of bitcoin taxation on commodity future exchanges has been regulated by applicable laws and is recognized based on legal theories and princples.

**KEYWORDS:** Analysis, Legal Status, Tax, Commodity Futures Exchanges, Bitcoin

## I. INTRODUCTION

Taxes constitute one of the state's revenues obtained through premiums paid by the public to the government for organization, control, regulation, and redistribution to the community in various forms of infrastructure such as roads, rural roads, bridges, and other public facilities like airports, hospitals, and schools managed by the government for the well-being of the general public without limitation to specific social groups, races, religions, and ethnicities. Taxation is a fundamental aspect of community welfare development in accordance with the state's objectives outlined in the Preamble of the Constitution of the Republic of Indonesia of 1945. This aligns with Article 1, paragraph (1) of Law Number 28 of 2007 concerning the Third Amendment to Law Number 6 of 1983 concerning General Provisions and Procedures for Taxation. Tax collected from the public represents a significant potential for both the community and sustainable economic growth in accordance with the principles of Pancasila and the Constitution of the Republic of Indonesia of 1945. This is achieved through various actions within the legal provisions of fiscal policies, especially in taxation.

Strategic steps that can be taken to achieve the objectives of fiscal policy in taxation include implementing improvements to deficiencies and losses, as well as increasing tax rates through legal provisions with the aim of enhancing the effectiveness and efficiency of tax revenue, expanding the tax base, establishing a tax system, and making changes to tax administration based on certainty and fairness. Additionally, fostering awareness among taxpayers to fulfill their tax obligations is crucial in this endeavor.

The government, as the tax policy maker and collector, must balance the acceleration of changing business models and dynamic globalization by employing various means to enhance tax amnesty programs, enforce laws, improve automatic exchange of information systems on financial accounts, and enhance service functions to the public, especially for investors involved in cryptocurrency transactions. The government is taking concrete steps toward improvement in the field of taxation, focusing on data-based technology, trade processes, tax policies, tax amnesty programs, and related institutions to increase tax rates.

The dynamic changes in business patterns and globalization are undoubtedly driven by the advancements in information, knowledge, and technology. These developments have permeated and touched every sector, whether in health, defense, agriculture, plantation, and even the economic sector. The economic sector has experienced rapid progress, marked by significant changes and advancements. Notably, in the field of economics, transactions that initially involved bartering or exchanging goods have evolved into transactions using physical currency as a legitimate medium of exchange. The progress in the economic sector extends beyond this point, with further developments such as the introduction of online shopping systems and cryptocurrency investments.

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The burgeoning Crypto investment trend in Indonesia has experienced rapid progress and has gained popularity among a segment of the population, marked by the increasing crypto transactions, particularly involving Bitcoin, and the growing number of individuals investing, referred to as investors, on one of the Indonesian crypto platforms, namely the Indodax platform (Dhimas Candra & Andrianto, 2022: 140-146). The government, acting as the tax collector, acknowledges this phenomenon and is paying closer attention to the steps needed to levy taxes on crypto investors, aiming to enhance the nation's wealth for national development. The concept of tax, as per Article 1 paragraph 1 of Law Number 28 of 2007 concerning the Third Amendment to Law Number 6 of 1983 concerning General Provisions and Procedures for Taxation, is defined as the participation given by the public to the government for the country's economic growth, which is obligatory for the development of the broader community.

there is a need for a supervisory authority to oversee the significant growth of crypto investments in Indonesia. The Ministry of Trade (Kemendag) through the Commodity Futures Trading Supervisory Agency (Bappebti) is the institution involved in supervising the physical trading of crypto assets. The existence of this supervisory institution aims to ensure the security of trading transactions, verify compliance with regulations, and promote transparency. So far, the Indonesian government has established a legal framework to regulate the trading of crypto assets in the country through several regulations, including Law No. 10 of 2011 concerning Amendments to Law No. 32 of 1997 concerning Commodity Futures Trading, Minister of Trade Regulation No. 99 of 2018 concerning General Policies for the Implementation of Crypto Asset Futures Trading, and the Regulation of the Commodity Futures Trading Supervisory Agency. The Commodity Futures Trading Supervisory Agency (Bappebti) is tasked with overseeing crypto sellers and the crypto assets that can be traded in Indonesia.

The Indonesian government emphasizes regulations regarding the imposition of taxes on those conducting crypto transactions, whether as sellers or buyers of these crypto assets. This taxation applies when crypto transactions are carried out on commodity futures exchanges registered with Bappebti. The issue raised by the author arises due to the lack of regulations governing the taxation of crypto transactions on commodity futures exchanges not registered with Bappebti. However, these taxes are crucial for Indonesia to augment its wealth and enhance the well-being of the community. Based on the background problem outlined, the problem formulation identified in this research is: What is the legal status of the imposition of taxes on Bitcoin transactions on commodity futures exchanges?

## II. METHODS OF RESEARCH

The answer for this research can be found using through normative juridical research, which involves the use and collection of secondary data, with a focus on legal regulations (Muhaimin, 2020: 45). The objective of this legal research is to determine, analyze, and discover the legal status of taxing Bitcoin transactions on commodity futures exchanges using the normative legal research method as a solution to legal issues based on legal concerns in society (Peter Mahmud Marzuki, 2021: 83). The first set of secondary data collected comprises primary legal materials, namely legislation and jurisprudence related to the regulation and decisions concerning taxation and Bitcoin. After collecting the first set of secondary data, further information can be obtained from secondary legal materials, including theories, principles, doctrines, expert opinions related to individuals who can be considered taxpayers, and the legal consequences for businesses that fail to register as required. The data analyzed in connection with the issues at hand employs qualitative analysis techniques and draws conclusions deductively-inductively, meaning conclusions are derived from the general to the specific aspects related to the legal issues at hand (Suteki & Galang Taufani, 2018: 181). This qualitative analysis is conducted by examining the certainty of taxing Bitcoin transactions on commodity futures exchanges.

## III. RESULT AND DISCUSSION

### *A. An Observation on Taxation, Bitcoin, and Tax Subjects*

1. Definition and Regulation of Value Added Tax (VAT)

Tax according to Law Number 28 of 2007 concerning the Third Amendment to Law Number 6 of 1983 concerning General Provisions and Procedures for Taxation, is a mandatory contribution to the state owed by individuals or entities, which is compulsory based on the law, without direct compensation, and used for the state's purposes to the maximum extent possible for the prosperity of the people.

According to the Kamus Besar Bahasa Indonesia (KBBI), tax is a compulsory levy, usually in the form of money, that must be paid by residents as a mandatory contribution to the state or government in relation to income, ownership, purchase prices of goods, and so on (Online Kamus Besar Bahasa Indonesia). In the book titled "Hukum Pajak" written by Adrian Sutedi in 2011, there are several definitions of tax presented by experts, including the following (Adrian Sutedi, 2011: 2-3).

a) Prof. Dr. P.J.A. Adriani

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Tax is a contribution from the community to the state (that can be enforced), owed by those obligated to pay it according to regulations (laws) without receiving direct compensation or benefit. This tax serves to finance general expenditures related to the state's duties, namely, the administration of government.

b) Prof. Dr. H. Rochmat Soemitro, S.H.

Tax is the transfer of wealth from the public to the state to finance routine expenditures along with its surplus, which is utilized for public saving, serving as the primary source to fund public investment.

c) Brock Horace R.
d) Tax is a transfer of resources from the private sector to the government, not due to legal violations but as an obligation carried out based on pre-established regulations, without direct and proportionate compensation, enabling the government to fulfill its duties in administering governance.

Based on various definitions provided by tax experts, generally, tax refers to a contribution collected by the community for the state treasury based on the law. Therefore, the government's collection of contributions can be enforced without the public receiving a direct perceived service in return.

The regulation regarding Value Added Tax (VAT) is found in the Republic of Indonesia Law Number 42 of 2009 concerning the Third Amendment to Law Number 8 of 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods. According to Article 1 of that law, value-added tax is a levy imposed on the sale and purchase transactions of goods and services carried out by individual taxpayers or corporate taxpayers who have become Taxable Entrepreneurs (PKP) in the customs area (https://www.pajak.go.id/id/jenis-pajak-pusat).

2. Regulation and Definition of Bitcoin

The rapid development of information and communication technology must be carefully considered to provide maximum benefits for the economic growth of Indonesia. With the onset of digitalization in the economic sector, especially in business transactions, new trends emerge that change the habits of using paper and metal currency into digital-based currency. The existence of digital-based currency certainly facilitates and enhances the efficiency of transactions within society. Digital-based currency utilizes a highly complex and intricate cryptographic system, making it impossible for unauthorized individuals to transfer or replicate it. This type of currency is independent in nature, meaning that the production and distribution of digital currency are not controlled by any party globally, including governments or banks. One of the popular digital currencies worldwide is Bitcoin.

The emergence of Bitcoin has become a widely discussed topic. Bitcoin is a cryptocurrency that has been distributed massively and extensively. Users of Bitcoin are referred to as customers. Each customer can create their own account, commonly known as an address. A customer can send Bitcoin to another customer by conducting a transaction and recording it in the global log known as a blockchain. The blockchain is operated by entities called Bitcoin miners. These Bitcoin miners are the ones who will be rewarded for their efforts in the Bitcoin system. There is security assurance in Bitcoin transactions. The security obtained in Bitcoin transactions comes in the form of protection derived from encryption techniques that identify the legitimate owner of the address (Eyal et al., 2013).

On the 3rd January 2009, marks the beginning of the emergence of the Bitcoin currency pioneered by Satoshi Nakamoto (Dimaz Ankaa Wijaya, 2016: 79). Nakamoto accommodated approximately 109 million accounts. In March 2015, the Bitcoin trading index reached 200,000 Bitcoins in a single day, equivalent to around 50 million USD in market value. The total market value of all Bitcoins is estimated to be around 3.5 billion USD. The presence of Bitcoin has drawn the attention of economists to digital currency due to its potential to disrupt the current payment system and create potential issues for future currencies. This could occur if Bitcoin interacts with the conventional economic system and the real economy (Böhme et al., 2015). In line with these developments, the exchange rate of Bitcoin has become very high due to the increased demand for using Bitcoin as a global peer-to-peer network-based payment transaction tool commonly used by programmers (Ibnu Saefullah, 2018: 2).

Bitcoin is a peer-to-peer network-based currency designed to facilitate the exchange of Bitcoin among other users within the computer network. The advantages of using Bitcoin include ease, efficiency, and low costs. New users of Bitcoin need to have a virtual wallet. This virtual wallet encompasses three types: Soft virtual wallet, phone wallet, and web wallet (Tiara Dhana Danella, 2015: 8). The difference between these three types of virtual wallets lies in the storage location of Bitcoin. In Bitcoin, a web wallet allows users to access it from anywhere using the internet, similar to online banking. In a web wallet, users can also view the amount of Bitcoin balance stored in it. The function of a virtual wallet is similar to that of a conventional bank in general. However, in the event of a crime, it is not the responsibility of the bank or the government (Koeswanto, 2017). The distribution of Bitcoin uses a concept called the Half-Life rule, where the initial distribution will decrease by half after a certain period has elapsed. This is what causes the Bitcoin supply to become limited (Anonymous, 2018).

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There are two options to acquire Bitcoin, the first option being through the process of Bitcoin mining. A Bitcoin miner is an individual who operates a computer to perform calculations and discover blocks in the blockchain. After the miner verifies the blockchain, the next step is to offer a reward in the form of Bitcoin to the verified miner. This option is based on the theory popularized by Hal Finney and Nick Szabo to understand the accurate proofing system. With technological advancements, miners no longer operate general devices like computers, laptops, or tablets but instead use specialized tools known as ASIC (Application Specific Integrated Circuit).

ASIC or Application Specific Integrated Circuit, is a specialized electronic circuit designed to perform mathematical calculations within the Bitcoin system. A Bitcoin miner can acquire Bitcoin more efficiently and effectively due to the advanced functions of ASIC compared to general computer devices. Another way to acquire Bitcoin is through traditional means, namely by conducting transactions on websites that sell Bitcoin. Indonesia already has two main markets where you can transact with Bitcoin, namely Bitx.co/id and Bitcoin.co.id (Yohandi, 2017).

The regulation regarding the imposition of taxes on crypto assets in Indonesia is stipulated in Article 5, paragraphs (1) and (2) of the Regulation of the Minister of Finance of the Republic of Indonesia Number 68/PMK.03/2022 concerning Value Added Tax and Income Tax on Crypto Asset Trading Transactions. Crypto assets are digital currencies traded by physical traders of crypto assets in the physical crypto asset market. There are many types of crypto assets traded in the physical crypto asset market, one of which is Bitcoin. This information is included in the Annex of the Regulation of the Commodity Futures Trading Supervisory Board Number 4 of 2023 concerning Amendments to the Regulation of the Commodity Futures Trading Supervisory Board Number 11 of 2022 concerning the Determination of the List of Crypto Assets Traded in the Physical Crypto Asset Market.

3. Tax Subjects

The definition of a tax subject is regulated in Article 1 number (2) of the Republic of Indonesia Law Number 28 of 2007 concerning the Third Amendment to Law Number 6 of 1983 concerning General Provisions and Taxation Procedures. It refers to an individual or entity, including tax subject, tax withholders, and tax collectors, who have rights and obligations in taxation in accordance with the provisions of tax regulations..

The subjects of Value Added Tax (VAT) and Luxury Goods Sales Tax (LST) are individuals or entities engaging in transactions with objects subject to Value Added Tax and Luxury Goods Sales Tax, as stipulated in Article 4 and 5 of the Republic of Indonesia Law Number 42 of 2009 concerning the Third Amendment to Law Number 8 of 1983 regarding Value Added Tax on Goods and Services and Sales Tax on Luxury Goods. The imposition of value-added tax is regulated in Article 4 of this law, which states: "Value Added Tax is imposed on: a. the delivery of Taxable Goods within the Customs Area carried out by entrepreneurs; b. the import of Taxable Goods; c. the provision of Taxable Services within the Customs Area carried out by entrepreneurs; d. the utilization of Intangible Taxable Goods from outside the Customs Area within the Customs Area; e. the utilization of Taxable Services from outside the Customs Area within the Customs Area; f. the export of Tangible Taxable Goods by Taxable Entrepreneurs; g. the export of Intangible Taxable Goods by Taxable Entrepreneurs; and h. the export of Taxable Services by Taxable Entrepreneurs."

In Government Regulations, there are also provisions regarding the objects subject to value-added tax. The objects subject to value-added tax include those applicable to all deliveries of taxable goods implemented within the customs area by wholesale or retail traders in a business or occupation environment, and the delivery of types of services subject to value-added tax is regulated. Article 5 specifies that, in addition to the imposition of value-added tax, luxury goods sales tax is also levied on the delivery of luxury goods carried out by entrepreneurs producing luxury goods within the customs area in the course of their business or occupation and the import of luxury goods.

### *B. Law Theory, Tax Collection Theory, and Taxation Legal Principles In The Imposition Of Tax On Bitcoin Transactions*

Legal theory is a term frequently used in the field of law to explain the foundational concepts studied in legal science, encompassing ideas and theoretical concepts aimed at supporting legal dogmatics. It is formulated to make law a fundamental aspect of human life across various periods and eras. Etymologically, legal theory originates from the term "Legal Theory" in English and "Rechtstheorie" in Dutch. As the field of legal science has evolved over time, legal scholars have used various terms, including legal philosophy, jurisprudence, and legal theory. Despite differences in these terms, legal scholars use them interchangeably to interpret legal theories. Although each term has distinct meanings upon closer examination, they all remain closely related to legal theory.

Legal theory serves as the foundation for positive law in addressing specific legal issues according to the needs of the community where the law holds jurisdiction. Legal theory is something abstract, value-free, and non-normative, unlike legal dogmatics, which is practical, concrete, and contains prescriptive and normative values. In line with this, the method of legal theory differs from legal science. Legal theory analyzes by dissecting, separating, peeling, discussing differences, and seeking the truth about what distinguishes the law from other norms. Looking at this explanation, legal theory can be considered fundamentally as theories or ideas and theoretical concepts within legal science. It can be said that the object of legal theory is legal science, encompassing everything about the law, unrestricted to the law applicable in a particular region and time (Isharyanto, 2016:13).

There are three conditions that must be met for something to be considered a legal theory, namely: (Uswatun Hasanah & Eny Suastuti, 2020: 3)

1. Addresses the problems under study;
2. Includes a spesific method;
3. Contains a set of consistent statements (Realizing theory as a product of scientifif activities).

Legal theory has an interdisciplinary character, meaning it views law from outside of law/other disciplines. Legal theory has three tasks, or can be called tri tasks, namely: (Uswatun Hasanah & Eny Suastuti, 2020: 3)

1. Legal doctrines/rechtsleer, which analyze various definitions related to law/juridical concepts;
2. The relationship between logic and law;
3. Methodology in theoretical and practical aspects.

Speaking of benefits is always associated with the utilitarianism theory popularized by Jeremy Bentham. Utility in the theory proposed by Jeremy Bentham is classified as an ethical theory that places behavior and actions that can be considered ethically good as actions that are useful and provide benefits, and bring profit, while actions considered not good only bring hardship and suffering. (Endang Pratiwi, 2022: 274). The essence of the legal theory/utilitarianism stream is based on every action taken by humans towards actions that lead to the greatest happiness and avoid or reduce suffering.

Policies and regulations are fundamental necessities between society and the government as an effort to regulate ethically sound actions and provide benefits deemed good for the well-being of the broader community, in line with the theory proposed by Jeremy Bentham regarding the utilitarianism of law. Consequently, taxes imposed on the public are expected to provide benefits, as the taxes managed by the government will be reinvested in the community in the form of public facilities that can enhance the standard of living and maximize happiness for the general public.

The imposition/levying of taxes is a lawful and legal matter in the eyes of the law. This is supported and based on theories that provide justifications for the state's right to collect taxes, namely: (Aini Hamdan, 1985).

1. Interest Theory: This theory focuses on the state's interest in national development. The larger the state's needs related to economic development, the larger the tax imposed on taxpayers. This theory prioritizes the common interest for society, where the community needs the state as the tax administrator;
2. Ability-to-Pay Theory: This theory requires everyone to pay taxes in accordance with their respective burdens or ability to pay;
3. Justification Theory of Tax Collection: This theory obliges every citizen to pay taxes to the state as a form of solidarity and the familial nature of Indonesian society in the context of national development. (Bustamar Ayza, 2017: 62)

As for the principles that justify the state's right to collect taxes, they are as follows: (Adrian Sutedi, 2011: 22-25)

1. Sources Prinsiple

This principle depends on the source of income in a country. The state can collect taxes regardless of the taxpayer's residence if there is a source of income in that country. Based on the source principle, taxation will be imposed by the state on income received by individuals or entities. Taxation is carried out by the state when the income that will be taxed is obtained or received by individuals or entities whose source is within the respective country. Referring to this source principle, the basis for calculating tax collection is the object that originates from the territory of the respective country. An example of the application of the source principle in tax collection is if there is a foreign national employee working in Indonesia. According to the source principle, income earned by them in Indonesia will be subject to taxation by the Indonesian government.

2. Domicile Principle

The domicile principle, also known as the residence principle, implies that a country will levy taxes on the income of an individual or entity if, in the context of taxation, the person is a resident or has a domicile in that country, or if the entity is domiciled in that country. In this context, the source of income is not the primary concern. Any country that recognizes and practices this principle in its tax system will unify the domicile principle related to income subject to tax, whether it originates domestically or internationally. The domicile principle specifies that the imposition of tax depends on the residence or domicile of the taxpayer. The country where the taxpayer is domiciled has the right to levy taxes on all income earned, regardless of the source of that income.

3. Juridical Principle

The juridical principle argues that the law should be the foundation for tax collection. Tax law must provide the necessary legal safeguards to uphold strong justice, both for the state and its citizens. The legal basis for the government to impose taxes lies in Article 23 paragraph (2) of the 1945 Constitution. This article asserts that all taxes levied for the needs of the state must be based on the law. In Indonesia, Article 23 paragraph (2) holds significant meaning as a determinant of the fate of the people. This provision emphasizes that the people, as a nation, will lead their lives, and their sources of funding to sustain their lives must be determined by the people themselves through their representatives in the People's Consultative Assembly. The people have the right to determine their own fate, including how they lead their lives. Therefore, when it comes to determining budgets that affect the people's right to determine their own fate, such as taxes and other matters, it must be regulated by law.

Tax policies regarding cryptocurrency transactions should not exceed the taxpayer's capacity according to the ability-to-pay theory to avoid hindering economic activities. The government, as the tax collector, must genuinely consider the economic impacts on society. This is necessary because it can increase state revenue through taxes, thus significantly contributing to national development by building public facilities. According to the philosophy of Pancasila, it embodies two principles: familial and mutual cooperation. Indonesian society practices mutual cooperation through taxation. Taxation is one of the means for building a just and prosperous society, and this serves as the justification for tax collection by the state.

### *C. Legal Status Of Taxation On Bitcoin In Commodity Futures Exchanges*

Attachment to the Regulation of the Commodity Futures Trading Regulatory Agency Number 4 of 2023 Regarding Amendments to the Regulation of the Commodity Futures Trading Regulatory Agency Number 11 of 2022 Concerning the Determination of the List of Crypto Assets Traded in the Physical Market of Crypto Assets contains a list of crypto assets traded in the physical market of crypto assets. The following is a table of the list of crypto assets traded in the physical market of crypto assets.

**I. TABLE OF CRYPTO ASSETS TRADED IN THE PHYSICAL CRYPTO ASSET MARKET**

| NO | TYPE OF CRYPTO ASSETS | CODE |
|---|---|---|
| 1 | Ethereum | ETH |
| 2 | Klaytn | KLAY |
| 3 | Solona | SOL |
| 4 | Tezos | XTZ |
| 5 | Iota | MIOTA |
| 6 | USD Coin | USDC |
| 7 | Polkaot | DOT |
| 8 | The Sandbox | SAND |
| 9 | Bitcoin | BTC |
| 10 | Cosmos | ATOM |
| 11 | 0x Protocol | ZRX |
| 12 | Litecoin | LTC |
| 13 | Cardano | ADA |
| 14 | Chainlink | LINK |
| 15 | Uniswap | UNI |
| 16 | Stellar | XLM |

Based on the above table, it can be concluded that Bitcoin is one of the crypto assets traded in the physical crypto asset market.

Referring to Article 5 paragraph (1) and (2) of the Regulation of the Minister of Finance of the Republic of Indonesia Number 68/PMK.03/2022 Concerning Value Added Tax and Income Tax on Crypto Asset Trading Transactions, it regulates the imposition and tariff of Value Added Tax (VAT) on crypto asset transactions. In the case of trading organizers through an electronic system, whether they are physical crypto asset traders or not, the Value Added Tax rate imposed on crypto asset transactions for trading organizers through an electronic system who are physical crypto asset traders is 1% (one percent) of the transaction value. Meanwhile, the Value Added Tax rate imposed on crypto asset transactions for trading organizers through an electronic system who are not physical crypto asset traders is 2% (two percent) of the transaction value.

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The definition of a physical crypto asset trader is found in Article 1 number (17) of the Regulation of the Minister of Finance of the Republic of Indonesia Number 68/PMK.03/2022 Concerning Value Added Tax and Income Tax on Crypto Asset Trading Transactions. It regulates the imposition and tariff of Value Added Tax (VAT) on crypto asset transactions. A physical crypto asset trader is defined as a party that has obtained approval from the authorized official in accordance with the provisions of the laws and regulations governing commodity futures trading, to conduct crypto asset transactions either on their own behalf and/or facilitate transactions for the sale or purchase of crypto assets.

The definition obtained in Article 1 number (17) of the Regulation of the Minister of Finance of the Republic of Indonesia Number 68/PMK.03/2022 Concerning Value Added Tax and Income Tax on Crypto Asset Trading Transactions, which regulates the imposition and tariff of Value Added Tax (VAT) on crypto asset transactions, can be concluded that the key difference between physical crypto asset traders and those who are not physical crypto asset traders lies in obtaining approval from the authorized official in accordance with the provisions of laws and regulations governing commodity futures trading. This approval is necessary to conduct crypto asset transactions either on their own behalf and/or to facilitate transactions for the sale or purchase of crypto assets.

### *D. Consequences Of Bitcoin On Unregistered Cryptocurrencies With Bappepti*

Consequences in the legal context that may occur to cryptocurrency exchanges that do not register with Bappebti include: (Dhimas Candra & Andrianto, 2022: 143)

1. Lack of protection for registered and verified member's personal data;
2. Absence of investor account security protection;
3. Lack of dispute resolution in crypto asset trading disputes; and
4. Lack of Bappepti supervision on crypto asset trading companies.

### *E.* Conclusion

Legal Status of Bitcoin Taxation in the Commodity Futures Exchange has been regulated by legislation, namely the Minister of Finance Regulation of the Republic of Indonesia Number 68/PMK.03/2022 Concerning Value Added Tax and Income Tax on Crypto Asset Trading Transactions, which regulates the imposition and rates of Value Added Tax (VAT) on crypto asset transactions. This regulation is in accordance with recognized legal theories and principles, ensuring compliance with the Utilitarianism theory proposed by Jeremy Bentham. Thus, it is legally binding and is expected to provide benefits considered good for the general welfare of society.

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