



GRAND POINT CHURCH

Cryptocurrency Frequently Asked Questions

WHAT IS CRYPTOCURRENCY?

Cryptocurrency, also known as Virtual Currency or “Crypto,” is a digital asset designed to function as an alternative to sovereign fiat currency (US Dollars, for example) whereby transactions between two parties are verified through a public, distributed ledger, also known as a blockchain. Most people think of Bitcoin and/or Ether when they hear the word “Crypto,” and while Bitcoin is the original cryptocurrency and most widely followed, there are a number of cryptocurrencies currently available.

WHAT IS THE ENGIIVEN PLATFORM?

The Engiven platform is a third party vendor provided donation software technology that enables nonprofits to safely and securely receive cryptocurrency donations and then convert those donations into usable fiat currency such as US dollars. [Learn more about Engiven here.](#)

IS IT LEGAL FOR GRAND POINT CHURCH TO ACCEPT DONATIONS OF CRYPTOCURRENCY?

Yes. It is lawful for a nonprofit to accept a donation in the form of a cryptocurrency. On March 2014, the United States Internal Revenue Service (IRS) ruled that Bitcoin is treated as property for tax purposes (IRS Notice 2014-21).

HOW ARE CRYPTOCURRENCY DONATIONS TREATED FOR FEDERAL TAX PURPOSES?

For U.S. tax purposes, transactions using virtual currency must be reported in U.S. dollars. Therefore, taxpayers will be required to determine the fair market value of virtual currency in U.S. dollars as of the date of donation. If a virtual currency is listed on an exchange and the exchange rate is established by market supply and demand, the fair market value of the virtual currency is determined by converting the virtual currency into U.S. dollars (or into another real currency which in turn can be converted into U.S. dollars) at the exchange rate, in a reasonable manner that is consistently applied. Donors who give cryptocurrency donations to Grand Point Church will receive an electronic donation receipt (through the Engiven donation platform) in US dollars with comprehensive details about each transaction.

IS THE PROCESS OF GIVING CRYPTOCURRENCY SAFE AND SECURE?

As with any form of electronic payment or transaction, there are risks, however, our vendor Engiven has created certain safeguards they believe are needed to ensure that the transaction is secure. With the transfer of cryptocurrency from donor to nonprofit, Engiven believes the transaction can actually be more secure than many other forms of payment, provided certain protocols are followed. By using the Engiven platform, the nonprofit is required to undergo a simple but effective Know Your Customer (KYC) and Anti-Money Laundering (AML) screening which provides a high level of background security to ensure the parties are properly screened. As with any cryptocurrency transaction, when transferring your tokens to the Grand Point Church wallet to make a donation, do not expose or share your wallet’s private keys at any time.