



Crypto tax-loss harvesting worksheet: cut your bill without the traps

A practical worksheet for tax-loss harvesting: selling crypto that is down to realise a loss, then using that loss to offset gains and lower your tax bill, done within your country's rules. It walks the mechanics, the timing traps, and a routine you can follow at year-end. Download the PDF to work through.

CryptaTax

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General information, not tax advice

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What harvesting actually does

Tax-loss harvesting deliberately sells assets that have fallen below what you paid, so the **capital loss** becomes real and can be set against your **capital gains**. The key idea is that an unrealised loss, a coin just down on paper, does nothing for your taxes; only a realised one counts. Realised losses generally offset realised gains, reducing the net amount you are taxed on, and many systems let unused losses carry forward. So a 5,000 gain with a 2,000 harvested loss is generally taxed on the net 3,000. The numbers are illustrative; your treatment depends on your country.

What to check before you harvest

Harvesting only helps when the rules line up. Three checks decide whether a harvested loss actually lands, and getting any of them wrong can cancel the benefit.

Wash-sale and repurchase timing

If you sell at a loss and rebuy the same coin too soon, some jurisdictions apply a **wash-sale** rule that disallows or defers the loss. Where no such rule applies to crypto, harvesting and rebuying can be valid; where it does, you must wait out the window. This is the single most important thing to get right, see the [wash-sale guide](#).

Whether the loss is deductible

Whether a realised crypto loss is deductible at all, and what it can be set against, depends on where you live. Many systems require you to net losses against the same category of gain first, short-term against short-term, long-term against long-term, before any cross-netting, and because short-term gains are often taxed more heavily, a short-term loss can be the more valuable one.

Carrying losses forward

You will not always have enough gains this year to use a loss. Most systems let you **carry unused losses forward** to future years, and some allow a limited amount against ordinary income; a few allow carrying back. A loss you bank now can be an asset for years, but only if you track it, losing sight of a carried-forward loss is the same as throwing away a deduction.

The trap: a fresh, lower basis

When you rebuy after harvesting, the new coins start a fresh, **lower** cost basis, which means a larger gain later. So harvesting is often a **deferral** as much as a saving: it can smooth your tax across years rather than erase it. Used well that is valuable; used carelessly it just shuffles the bill forward, and frequent harvest-and-rebuy churn can cost more in fees and spread than it saves.

A year-end routine

1. Review your portfolio for positions trading below their cost basis.
2. Check your country's wash-sale and loss-offset rules first.
3. Realise losses where it makes sense, mindful of any repurchase window.
4. Keep the gains those losses offset, and note any losses carried forward.
5. Re-check near year-end, when you can finally see the year's realised gains and which holdings are underwater.

When not to harvest

Harvesting is not always worth it. With no gains to offset and no useful carry-forward, realising a loss may just cost you fees and your position. If a wash-sale or short-window rule applies and you want to keep exposure, the required wait may not suit you. And do not let the tax tail wag the investment dog: the loss is only worth having if the underlying decision to sell makes sense on its own.

How CryptoTax makes it practical

CryptoTax shows your realised and unrealised positions with accurate cost basis, so you can see which holdings are sitting on a loss and what harvesting them would do to your net gain. It keeps the dates and basis you need to stay on the right side of wash-sale timing, and rolls the result into a report you can file. For the full detail see the [tax-loss harvesting guide](#), and [try the crypto tax calculator](#) →.

Disclaimer. General information, not tax advice. Crypto tax rules differ by country and change over time, verify against your country's guidance or a qualified advisor.



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