



**IDAHO**  
DEPARTMENT OF FINANCE

**C.L. "BUTCH" OTTER**  
Governor

**GAVIN M. GEE**  
Director

June 5, 2015

Re: Bitcoin Business Inquiry

Dear :

Thank you for your phone call earlier this week and your letter sent via email on June 3, 2015. While your letter provides very little detail regarding your proposed activities and how the business model functions, we will attempt to provide you with some broad themes regarding the regulation of virtual currencies in Idaho.

1. Generally speaking, the Department would not seek to regulate virtual currency transactions between consumers where the consumers are not acting as an "exchanger" as presently defined under FinCEN guidance. At present, the Department does not seek to regulate the exchange/trading of one virtual currency for another.

2. If an individual or an entity engages in a regular business of accepting fiat currency in exchange for virtual currency, the facts and circumstances of each business model will guide whether licensure is required. It presently appears that an offeror of virtual currency has a near contemporaneous ability to obtain virtual currency in order to fill a customer order<sup>1</sup>. If conducted as part of a regular, on-going business, we believe it is likely that such a business will, at some point, be engaged in a licensable activity under the Idaho Money Transmitters Act.

We hope this information is of use to you. Should you need information regarding the licensure process in Idaho, forms and information are available on our website at <http://finance.idaho.gov>. Should you have further questions, please do not hesitate to call, write or email me at [jburns@finance.idaho.gov](mailto:jburns@finance.idaho.gov).

Regards,



James A. Burns

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<sup>1</sup> For purposes of this example we presume that the customer is submitting fiat currency to compete the purchase of a virtual currency.

**SECURITIES BUREAU**  
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Dear Regulators,

is opening a physical store as well as an online presence and mail order for business on June 16, 2015 in Myrtle Beach, SC would like to do business in your state. We have a simple business model and that is we only sell Bitcoin that we own. We DO NOT under any circumstances hold any customer funds on their behalf nor do we send customer funds on their behalf and we do not plan to do so at all anytime in the future. We only engage in selling product that we fully own ourselves. We do not create accounts on our website for customers nor are we involved in check cashing, money transfer, or any other service that typical check cashing business's are involved in. We only sell Bitcoin and are requesting an exemption in your state.

Thank you so much for your time.