

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

## Part I Reporting Issuer

1 Issuer's name <b>BTCS Inc.</b>		2 Issuer's employer identification number (EIN) <b>90-1096644</b>	
3 Name of contact for additional information <b>Michael Prevoznik</b>	4 Telephone No. of contact <b>202-430-6576</b>	5 Email address of contact <b>ir@btcs.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>9466 Georgia Avenue #124</b>		7 City, town, or post office, state, and ZIP code of contact <b>Silver Springs, MD 20910</b>	
8 Date of action <b>June 2, 2023</b>	9 Classification and description <b>Common Stock</b>		
10 CUSIP number <b>05581M404</b>	11 Serial number(s) <b>NA</b>	12 Ticker symbol <b>BTCS</b>	13 Account number(s) <b>NA</b>

## Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On June 2, 2023, BTCS Inc. ("BTCS") distributed a dividend (the "Dividend") on the issued and outstanding shares of its common stock, par value \$0.001 per share (the "Common Stock"), to holders of its Common Stock as of May 11, 2023 (the "Ex-Dividend Date"). The Dividend was comprised of one share of Series V Preferred (the "Series V") for each share of Common Stock held.**

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15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Each holder of Common Stock received one share of Series V. The change in the tax basis to a shareholder as a result of the Dividend is calculated by taking the adjusted basis of a share of Common Stock held by the shareholder prior to the Dividend and allocating it between a share of Common Stock and a share of Series V in proportion to the relative fair market value of the share of Common Stock and the new Series V share issued on the Dividend date.**

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**U.S. federal income tax law does not specifically prescribe how shareholders should determine the fair market values of the Common Stock and Series V for purposes of allocating a shareholders tax basis. Shareholders should consult their tax advisor to determine what measure of fair market value is appropriate.**

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16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **The following is an example calculation and amounts and values are provided for illustrative purposes only and are not intended to be relied on by shareholders. As noted above shareholders should consult their tax advisor to determine what fair market is appropriate. A shareholder who held 100 shares of Common Stock with a tax basis of \$100 (\$1 per share) prior to the Ex-Dividend Date would receive a Dividend of 100 Series V shares and would allocate their \$100 tax basis between the 100 shares of Common Stock and 100 shares of Series V based on the relative fair market values on the Dividend payment date. One approach to determining the relative fair market values on the payment date is to use the closing price of BTCS's Common Stock quoted on Nasdaq (\$1.18 per share) on the Dividend payment date for both the Common Stock and the Series V. Using this approach, the \$100 basis would be allocated 50% to the Common Stock and 50% to the Series V. The result would be that the Common Stock would have a tax basis of \$0.50 and the Series V would have a tax basis of \$0.50. Alternatively, if the Series V was valued at its par value of \$0.001 per share the Common Stock would have a tax basis of \$0.999 and the Series V would have a tax basis of \$0.001.**

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**Part II** Organizational Action *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ \_\_\_\_\_  
Sections 305(a) and 307(a) of the Internal Revenue Code.

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**18** Can any resulting loss be recognized? ▶ No loss may be recognized by a BTCS shareholder upon receipt of the Series V in the distribution.

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_  
For a BTCS shareholder whose taxable year is a calendar year, the reportable tax year is 2023.

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**Sign Here** Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Michael Prevoznik Date ▶ 6/30/2023  
DocuSigned by:  
E2E9882CE2C64A9...  
Print your name ▶ Michael Prevoznik Title ▶ Chief Financial Officer

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.