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Is Germany the Most Friendly Country to Cryptocurrency? Of Course Not!

Antonio Lukic said Germany should not be at the top of the coincub list. Antonio studied law and economics and wrote for beincrypto, Germany. In his last report, coincub described Germany as the friendliest cryptocurrency country in the world. Part of the content of scoring is supervision, financial services, population, taxation and so on. A summary of the report is here.

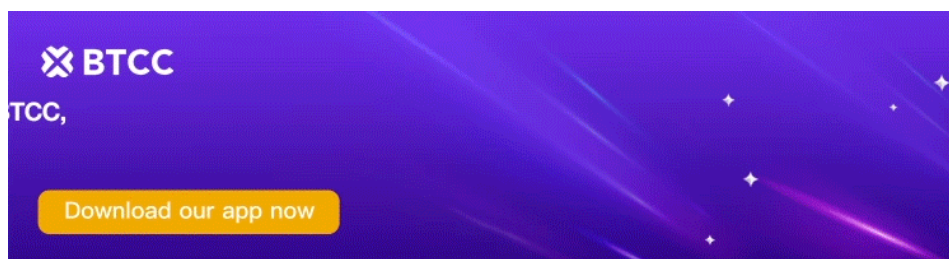
This raises a question. What are they talking about? As a German and cryptocurrency writer, what I want to say is. Coincub made a mistake.

Germany and its Progressive Tax Policy

In the report, coincub listed the reasons why Germany ranked first. One reason is the progressive tax policy related to cryptocurrency. Just last year, Germany began to promote a framework for cryptocurrency taxation by the Ministry of finance. It still constitutes “soft law” because it has not yet passed the court’s decision.

In addition, there is no clear indication that the one-year holding period will be changed for tax purposes. Users who hold assets for more than one year do not pay tax. However, the exchange of coins during this year will interrupt the period of one year. Other countries, such as Austria, have introduced a tax rule that treats cryptocurrency gains as capital gains on stocks.

In this regard, I still do not believe that Germany deserves the first place.



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Bank Acceptance

Coincub's report said that providing digital currency to such a large customer base is a great progress for a financial service provider. Coincub claims that this puts Germany ahead of any other country - potential investors in future banks will no longer need their own certification.

Coincup's statement is related to Sparkasse, which will enable its 50 million members to trade cryptocurrencies in the future. Sparkasse is even considering launching its own digital currency! The report shows that the acceptance of financial service providers is seen as a good thing. Why is this even part of the standard? Do we even need banks and other financial institutions?

Around the world, cryptocurrency is gaining popularity among financial service providers such as Sparkasse. Just two weeks ago, valor, a Swiss investment company, listed Cardano, Polkadot and Solana on the stock exchange. These assets can now be traded on the Amsterdam and Paris Stock Exchanges as exchange traded products (ETFs). But wait How can this be a good thing? Aren't we trying to get rid of the bank?

Safe

The main advantage of cryptocurrency being accepted by traditional financial institutions is that investors no longer need to create a wallet. Moreover, they no longer need to go through the additional "know you" program. Investors usually have experienced this when they register with the bank.

With such a product, didn't we return the scepter to the intermediary — the bank? Shouldn't we manage our assets according to Nakamoto's idea, instead of going to those who let us down in the

Past

The idea of cryptocurrency is to make things easier without having to register with the bank. Cryptocurrency should be simpler than existing systems. Of course, the need for more education may be just a problem. Today, there are hardware wallets, such as trezor or ledger, that guarantee the highest level of security.

Adoption of Cryptocurrency

Another standard of the report is the adoption of cryptocurrency. According to the sources used, other countries are far ahead in this ranking. In terms of user adoption, the most famous are Ukraine, Russia, Venezuela and India. Germany's adoption rate is 2.62%, at best at the upper middle level.



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Germany and Infrastructure

How did Germany win in infrastructure? What infrastructure has Germany built for cryptocurrency? If you look at Lugano, Switzerland, you will conclude that the global cryptocurrency centers are in other countries or cities. Well known cryptocurrency companies are not in Germany. Even our little neighbor Austria has a more popular cryptocurrency company – bitpanda than Germany.

But these companies can set an example for Germans. German companies can bring workers to Germany and help Germany's infrastructure. Companies are also an important factor in corporate tax revenue. But in terms of cryptocurrency infrastructure, we are certainly not the first.

Node

Several factors affect coincub's cryptocurrency ranking. For example, coincub mentioned the number of operating nodes as a standard. The role of nodes is to ensure the security of blockchain, so the more the better. It is reported that although Germany has a relatively small population, it has more nodes than the United States. There are several different reasons why Germany now has more nodes than the United States, but it may be more the fall off of American nodes than Germany's victory.

Germany. Federal Government

Last but not least, the view of the "new" German federal government should be mentioned. The government wants to regulate encrypted assets in a positive sense. However, this will largely depend on European directives, such as mica regulations and TFR regulations. In a few days, the European Commission will decide whether to ban unmanaged wallets. This will mean that wallet providers, such as metamask, will have to KYC all users. Therefore, as far as the favorable government is concerned, this is still completely pending.

Conclusion

As the EU's largest economic power, Germany is an obvious emotional driver. But no one should underestimate its European partners when it comes to upcoming regulations.

In terms of cryptocurrency, Germany retains sovereignty in the areas of tax and credit or securities law. But cryptocurrency may be a different fish tank. In the future, many things may only be solved at the European level.

As for putting Germany at the top of the list of countries that are most conducive to cryptocurrency in the world? This is a fairly low evaluation of other cryptocurrency friendly countries. What do you think of Germany as a cryptocurrency friendly country, or other views?