ORIGINAL PAPER

DOI: 10.26794/2220-6469-2025-19-2-22-32
UDC 336.74:004(45),347.73:004(45),336.743(045)
JEL K22, G23, G28, E42, O33

Cryptocurrencies and Digital Assets in the Modern Legal and Financial System of Russia: Problems of Terminology and Classification

A.V. Krupochkin, I.P. Khominich
Plekhanov Russian University of Economics, Moscow, Russian Federation

ABSTRACT

The article is devoted to the problem of terminological uncertainty and the lack of a unified classification of cryptocurrencies and digital assets in modern Russian legislation. Despite the adoption of Federal Law from 31.07.2020 No. 259-FZ "On Digital Financial Assets, Digital Currency and Amendments to Certain Legislative Acts of the Russian Federation", there are many controversial issues in law enforcement practice regarding the legal status of cryptocurrencies and their place in the financial system. The article analyzes existing approaches to defining digital assets in Russian and international regulations, as well as in scientific literature. The variety of classifications and the variety of functional characteristics inherent in different types of cryptocurrencies and tokens are noted. Key contradictions between the decentralized nature of cryptocurrencies and attempts at government regulation are identified. The author's definitions of digital currency, cryptoasset and cryptocurrency are formulated, taking into account technological, economic and legal aspects. Recommendations are proposed for improving legislation and developing agreed standards in the field of digital financial assets. The authors emphasize the need to balance the interests of the state, business, and society to ensure the successful development of the digital economy in Russia.

Keywords: cryptocurrency; digital asset; digital currency; blockchain; distributed ledger; legal regulation; classification; decentralized finance

For citation: **Krupochkin A.V., Khominich I.P. Cryptocurrencies and digital assets in the modern legal and financial system of Russia: Problems of terminology and classification.** ***The World of the New Economy.*** **2025;19(2):22-32. DOI: 10.26794/2220-6469-2025-19-2-22-32**

INTRODUCTION

The development of distributed ledger technologies and the emergence of cryptocurrencies have led to the formation of a new layer of economic relations requiring adequate legal regulation. However, the dynamic and cross-border nature of digital assets (DAs) conflicts with traditional approaches to financial regulation, which are based on principles of centralization and national sovereignty.

The dynamics of cryptocurrency development over the past decade demonstrate their transformation from a niche technological experiment into a global financial phenomenon. The total capitalization of the crypto market exceeded USD 3 trillion[1] in 2025, with more than 20% of cryptocurrency users coming from CIS countries, including Russia. This creates unique challenges for national regulation, especially under conditions of sanctions pressure and Russia's pursuit of digital sovereignty. For example, in 2023, the share of ruble pairs on P2P platforms grew by 35%, highlighting the increasing demand for alternative financial instruments among Russians. However, unlike China, which has introduced the digital yuan, or the EU, which adopted the MiCA Regulation,[2] Russia remains in a "grey zone," where the legal status of crypto-assets is limited by Federal Law No. 259-FZ of July 31, 2020, "On Digital Financial Assets, Digital Currency, and on Amendments to Certain Legislative Acts of the Russian Federation[3]" (hereinafter — 259-FZ), while their actual use continues to expand. This duality increases legal risks and slows the integration of blockchain technologies into key sectors of the economy.

The lack of unified terminology and generally accepted classification of digital assets complicates the development of consistent rules and creates legal uncertainty for market participants.

This article attempts to systematize existing approaches to defining cryptocurrencies and digital assets, as well as to propose the authors' own formulations that take into account the specifics of the phenomena under consideration. The authors analyze key problems associated with the application of current Russian legislation to cryptocurrency transactions and provide recommendations for its improvement.

METHODOLOGY

The study is based on a theoretical analysis of existing doctrine, taking into account various positions within the scholarly discourse, as well as precedents from law enforcement practice. Using a systemic and functional approach, an attempt is made to link technological characteristics (decentralization, blockchain, tokens) with economic and legal aspects in order to propose the authors' own definitions and classification criteria. To achieve this, several dimensions are examined sequentially: the technological dimension (features of distributed ledgers, smart contracts), the economic dimension (the function as a means of payment, the problem of token valuation), and the legal dimension (legal regime, prohibition of use as a means of payment, registration requirements).

The article applies a content analysis method to normative and doctrinal sources, which allows the identification of terminological inconsistencies and legislative gaps. A comparative method (contrasting Russian and international positions) further helps to highlight contradictions in approaches to legal regulation, while the systemic method ensures a comprehensive view of the problem: it considers not only the texts of laws themselves but also their application in the real financial sphere. The authors aim for a comprehensive classification, referring to the diversity of viewpoints and recognizing that a unified formula must reflect at least three key aspects — legal, economic, and technological.

[1] URL: https://coinmarketcap.com

[2] URL: https://eur-lex.europa.eu/eli/reg/2023/1114

[3] URL: https://www.consultant.ru/document/cons_doc_LAW_358753/?ysclid=m8hgtpsoks151221684

ANALYSIS OF THE PROBLEM OF TERMINOLOGICAL UNCERTAINTY

One of the main problems in regulating digital assets is the lack of a unified approach to their definition and classification, both in Russian and international law. Legislative definitions of digital assets in Russia do not take into account their functional polysemy, and the legal system retains terminological uncertainty that hinders the development of universal classification criteria [1–3]. Federal Law No. 259-FZ first introduced into Russian legislation the concepts of "digital financial assets" and "digital currency"; however, as noted by A.V. Gabov, these definitions were primarily developed to regulate centralized digital currencies (for example, the digital ruble) and do not reflect the specifics of decentralized cryptocurrencies, which leads to excessive formalization of the rules [1]. They do not fully capture the technological, economic, and functional features of cryptocurrencies, remain largely declarative in nature, and fail to provide the flexible regulation needed for the digital economy.

In particular, digital currency (DC) is defined as a set of electronic data contained in an information system, which is offered and/or may be accepted as a means of payment. However, cryptocurrencies based on decentralized blockchains generally do not have a single issuer or operator who could guarantee the fulfillment of obligations [4]. According to O.V. Loseva, the lack of a clear classification complicates not only the valuation of digital assets but also their integration into the legal framework, since regulators cannot rely on uniform criteria [5].

Moreover, 259-FZ explicitly prohibits the use of digital currency as a means of payment on the territory of the Russian Federation, which contradicts already established practices of using cryptocurrencies to pay for goods and services on the Internet and in the darknet [6]. This creates a legal conflict where the actual use of cryptocurrencies outpaces legislative regulation and is not covered by existing norms. As A.V. Gabov emphasizes, the Russian legislator conflates the concepts of "digital currency" (for example, the digital ruble) and "cryptocurrency," which creates terminological confusion and prevents the formation of clear classification criteria [1].

This problem is relevant not only for Russia but also for other jurisdictions. For example, in the United States, the Securities and Exchange Commission classifies Bitcoin as a commodity and Ethereum as a potential security, which has led to disputes in legal practice.[4] MiCA introduces a clear distinction between "electronic tokens" and "utility tokens," which simplifies regulation. In contrast, 259-FZ lumps all digital assets under general definitions, ignoring their functional diversity.

A striking example of the consequences of such uncertainty occurred in 2022, when a court in Moscow refused to recognize Bitcoin as a means of payment in a debt collection case, citing the absence of "legal status.[5]" However, in Dubai in 2023, cryptocurrencies were legalized as a means of payment for government services, which stimulated an influx of investment into the UAE.

In the academic literature, considerable attention is paid to distinguishing between the concepts of "virtual currency," "electronic money," "digital currency," and "cryptocurrency." For example, the European Central Bank considers virtual currencies to be a type of unregulated digital money created by private individuals or organizations and used among members of a virtual community.[6] At the same time, the Financial Action Task Force (FATF) defines virtual currency as a digital representation of value that can be digitally traded and functions as a medium of exchange, a unit of account, or a store of value, but does not have legal tender status.[7]

[4] URL: https://www.sec.gov/newsroom/press-releases/2020–338

[5] URL: https://sudact.ru/arbitral/doc/4cASe7Q2ZX5z/

[6] URL: https://www.ecb.europa.eu/pub/financial-stability/fsr/html/ecb.fsr202211~2c387cac68.en.html

[7] URL: https://www.fatf-gafi.org/publications/fatfrecommendations/documents/guidance-rba-virtual-assets-2021.html

It is clear that, based on their technical characteristics, cryptocurrencies fall under all these definitions. But is it correct to equate them with electronic money (EM)? According to Federal Law No. 161-FZ of June 27, 2011, "On the National Payment System[8]" (hereinafter — 161-FZ), EM must be denominated in rubles or a foreign currency, and the operator is obliged to redeem their balance at the client's request. Decentralized cryptocurrencies, by contrast, do not have any redemption obligations and are freely convertible at the market rate.

Some researchers propose classifying cryptocurrencies as "digital goods" or "intangible assets[9]" [7]. However, even this does not seem to fully account for all the nuances of their circulation, since cryptocurrencies can not only be an object of purchase and sale but can also be used as a payment instrument or a store of value, which clearly goes beyond the traditional understanding of a commodity.

CLASSIFICATION OF CRYPTOCURRENCIES AND DIGITAL ASSETS

One of the main challenges in systematizing cryptocurrencies and digital assets lies in the diversity of grounds and approaches for their classification. For example, A.V. Gabov points out that the digital ruble, as a centralized instrument, requires a fundamentally different regulatory approach compared to decentralized cryptocurrencies; however, current legislation does not clearly distinguish between them [1]. In particular, Russian legal doctrine is dominated by a fragmented approach that fails to take into account the multifunctionality of crypto-assets [2]. Classification criteria can include technological design, economic purpose, legal status, or the functional features of specific instruments. Nevertheless, cryptocurrencies and tokens often have a hybrid nature, combining properties of different asset classes. As O.V. Loseva notes, for valuation purposes, digital assets require a special classification that takes into account not only their technological characteristics but also their market liquidity, volatility, and monetization potential. Therefore, a universal systematization approach is still lacking [5].

In some classifications, depending on the mechanism of creation and circulation, the following types are distinguished:

- native cryptocurrencies, with their own blockchain (e.g., Bitcoin, Ethereum, Litecoin);
- equity tokens, which grant ownership rights in a company or entitlement to dividends. As noted by the U.S. Securities and Exchange Commission, such tokens fall under the definition of securities and must comply with regulatory norms[10];
- debt tokens, secured by assets and granting claims on the underlying asset (real estate, securities, commodities);
- unsecured payment tokens, which function as a means of payment;
- utility tokens, providing access to a project's products or services;
- stablecoin tokens, whose exchange rate is pegged to fiat currencies, precious metals, or a basket of assets [4, 8].

O.V. Loseva proposes an alternative classification oriented toward value parameters, where digital assets are divided into:

- highly liquid digital assets (e.g., Bitcoin);
- digital assets pegged to real assets (stablecoins);
- instruments with an uncertain value (utility tokens) [5].

However, not all cryptocurrencies clearly fit into the proposed schemes. For example, Ethereum successfully combines the properties of a means of payment with those of a platform for creating utility tokens and decentralized applications. Eq-

[8] URL: https://www.consultant.ru/document/cons_doc_LAW_115625/

[9] URL: https://www.chainalysis.com/blog/2024-crypto-crime-report-introduction/

[10] URL: https://www.sec.gov/corpfin/framework-investment-contract-analysis-digital-assets

uity tokens are often traded on crypto exchanges alongside classic cryptocurrencies, performing a speculative function. Meanwhile, some utility tokens have effectively turned into full-fledged digital currencies after the corresponding projects grew in popularity.

By the degree of centralization and transaction anonymity, public, private, and hybrid blockchains[11] are distinguished [4]. Public blockchains (such as Bitcoin and Ethereum) allow any user to read and write data, maintaining a certain degree of privacy through the pseudonymity of addresses. Private blockchains involve a single operator or a consortium of participants who set the consensus rules and admit new members at their discretion. Hybrid blockchains combine public and private functionality by connecting closed clusters to an open network.

Finally, in terms of intended purpose and basic characteristics, some authors classify cryptocurrencies as:

- means of payment, characterized by high liquidity, divisibility, and portability (e.g., Bitcoin, Litecoin, Dash);
- platform-based assets, used to create decentralized applications and launch initial offerings (e.g., Ethereum, EOS, Tron, NEO);
- investment tokens, representing digital analogues of securities or shares in a company's charter capital;
- stores of value and volatility hedging instruments, such as Bitcoin or stablecoins [9].

It should be recognized that these classifications are not mutually exclusive. In practice, many cryptocurrencies and tokens combine payment, investment, and speculative functions, making it difficult to develop a unified regulatory approach. The categories proposed in academic literature are largely theoretical and do not fully reflect all the technological and economic nuances of digital asset operation.

With the development of Web3 and metaverses, new forms of digital assets have emerged that require a reassessment of existing classifications:

- Soulbound tokens (SBTs) — non-transferable tokens that record a user's reputation or achievements in decentralized communities, for example, within Decentralized Autonomous Organizations (DAOs[12]). Their legal status remains unclear, as they do not fall under traditional categories of securities or goods.
- Non-fungible tokens (NFTs) with utility functions, such as tokens granting access to exclusive content or physical assets (for example, in Porsche NFT projects[13]). In Russia, such attempts face taxation challenges since the Russian Tax Code does not distinguish between NFTs and cryptocurrencies.
- Hybrid stablecoins, for example, tokens backed by a combination of algorithmic mechanisms and reserves (like the decentralized stablecoin DAI). Their dual nature creates risks for financial stability, as demonstrated by the collapse of TerraUSD in 2022.[14]

Moreover, classifications based on the current state of the market are becoming outdated almost in real time. New types of tokens and hybrid instruments constantly appear, combining features of different asset classes. The technological and organizational structures of blockchain projects also continue to evolve, rendering most existing formal criteria inadequate.

Given the complex and dynamic nature of cryptocurrencies and digital assets, *it seems reasonable at this stage to refrain from trying to force them into rigid universal classification frameworks*. Instead, a differentiated approach to analysis and regulation is needed, depending on the specific technological and economic characteristics of each instrument.

RISKS AND THREATS ASSOCIATED WITH CRYPTOCURRENCIES AND DIGITAL ASSETS

The integration of cryptocurrencies and digital assets into Russia's financial system creates a

[11] URL: https://www.bis.org/publ/arpdf/ar2023.pdf

[12] URL: https://decentraland.org/dao/

[13] URL: https://newsroom.porsche.com/en/2023/company/porsche-nft-collection-ethereum-web3–31868.html

[14] URL: https://www.sec.gov/newsroom/press-releases/2023–32

set of risks that require a multifaceted analysis, as they affect both the micro-level (individual market participants) and macroeconomic stability, posing challenges for regulators, financial institutions, and society as a whole.

Risks for Private Investors

The primary threat for individuals remains the extreme volatility of cryptocurrency markets. For example, in 2021, the price of Bitcoin fell by 65% within three months, leading to significant losses for investors [3, 10]. Such fluctuations are exacerbated by the absence of fundamental pricing mechanisms, turning crypto assets into a high-risk instrument for inexperienced market participants.

A serious problem is the spread of fraudulent schemes: phishing attacks, financial pyramids (such as the Russian "Finiko" scheme in 2021), and fake initial offerings [11, 12]. One study notes that more than 30% of cryptocurrency projects positioning themselves as investment funds do not correspond to their declared objectives, with their structures often imitating classic pyramid schemes [11]. The decentralized nature of the blockchain complicates the identification of malicious actors, and the lack of regulation increases investor vulnerability.

Cyber threats are also a critical risk factor. In 2023, total losses from cryptocurrency exchange hacks reached USD 3.8 billion, including incidents involving Russian users [13]. The loss of funds due to the compromise of private keys or smart contracts is irrecoverable, since decentralized systems exclude the possibility of warranty obligations [14].

An additional barrier is legal uncertainty. Russian banks block accounts suspected of cryptocurrency-related transactions, referring to the provisions of Federal Law No. 259-FZ, creating legal and financial difficulties for investors [15].

Threats to Financial Stability

At the macro level, cryptocurrencies have the potential to destabilize traditional financial institutions. According to estimates by the Bank of Russia, up to 40% of digital asset transactions go undeclared, facilitating tax evasion and reducing fiscal revenues.[15]

A mass migration of capital into cryptocurrencies could weaken central banks' control over the money supply. Decentralized finance (DeFi) creates an alternative payment ecosystem that competes with fiat currencies, thereby threatening the monetary sovereignty of the state.[16]

The growth of DeFi platforms, such as decentralized exchanges and lending protocols, reduces demand for traditional banking services, calling into question the profitability of the sector.[17] This requires a reassessment of regulatory strategies to minimize systemic risks.

Expansion of Illegal Activities

Cryptocurrencies are actively used for illicit purposes: 23% of Bitcoin transactions are linked to illegal operations, including money laundering and dark web trading. The anonymity of clients and the cross-border nature of blockchain make it difficult to identify participants, posing a threat to national security [6].

Particular concern arises regarding the financing of terrorism. Crypto assets allow prohibited organizations to circumvent sanctions and move funds outside the traditional banking system [15]. Sanctions pressure on Russia further encourages the use of stablecoins (such as USDT) for the illegal transfer of capital, thereby undermining the effectiveness of currency controls [16].

The risks associated with cryptocurrencies are multidimensional, affecting legal, economic, and technological spheres. To mitigate these threats, it is necessary to develop a balanced regulatory system that combines investor protection, counteraction to illegal activities, and the integration of innovations into the financial system. As

[15] URL: https://www.cbr.ru/finstab/review/

[16] URL: https://www.bis.org/publ/othp33.htm

[17] URL: https://www.bankingsupervision.europa.eu/press/supervisory-newsletters/newsletter/2023/html/ssm.nl230215_1.en.html

experts emphasize, ignoring these challenges may lead to systemic crises, whereas addressing them could create conditions for the sustainable development of the digital economy.

AUTHOR'S DEFINITIONS OF DIGITAL ASSETS

Based on the analysis of terminology and legal regulation, it seems necessary to distinguish between the concepts of "digital currency," "cryptoasset," and "cryptocurrency" as follows:

Digital currency is a virtual asset that exists in electronic form and is based on technological solutions involving both centralized and decentralized accounting systems. It enables payments for goods and services both domestically and in cross-border transactions, serves as a store of value, and acts as a unit of account for determining and expressing prices.

This category includes projects involving national digital currencies issued by central banks on state-backed blockchain platforms (such as digital rubles, yuan, or dollars). Their key feature is a centralized issuance process and the existence of legally established rules governing their circulation. As a rule, central bank digital currencies are recognized as legal tender on par with traditional fiat money.

Cryptoasset refers to a digital asset created and operating by means of cryptographic technologies and distributed ledger systems, which may serve as a medium of exchange, an investment object, or be used to confirm rights within an ecosystem.

Here, the emphasis is placed not on its payment function but on the technology of storing and recording rights to the asset. Any tokens issued on a blockchain may be classified as a type of cryptoasset, regardless of their economic essence. This definition covers the majority of existing cryptocurrencies and tokens, as well as derivative financial instruments such as cryptocurrency futures and options.

Cryptocurrency is a decentralized digital form of money, created and secured through cryptographic methods based on distributed ledgers, which allows network participants to directly exchange value without the involvement of traditional financial intermediaries or the need to open a bank account.

The defining features of cryptocurrency are the decentralized nature of its infrastructure, the use of cryptographic methods to secure transactions, and the absence of backing by traditional assets. The primary economic purpose of classic cryptocurrencies is to act as a means of exchange, payment, and savings.

It should be particularly emphasized that the definitions proposed here are the authors' own and do not claim universality. In the context of legal regulation and state oversight, they may be supplemented by additional features reflecting the position of the regulator.

The authors' proposed definition of "**cryptoasset**" correlates with the FATF approach ("digital representation of value"), but adds the technological criterion of "use of distributed ledger technology." This, for example, makes it possible to exclude from this category centralized in-game tokens (such as V-Bucks), which are regulated differently.

In our interpretation of the concept of "**cryptocurrency**," the emphasis is placed on decentralization, which distinguishes it from the digital ruble but aligns with the position of the Bank of Russia, which prohibits private payment tokens. However, this contradicts the practice in Kazakhstan, where since 2021 cryptocurrencies have been recognized as digital assets, allowing the legalization of mining. Such differences highlight the need to adapt terminology to national priorities while maintaining compatibility with global standards.

RECOMMENDATIONS FOR IMPROVING LEGISLATION

Based on the conducted analysis of the problems related to terminology and classification of digital assets, the following proposals can be formulated for the further development of Russian legislation in this area. To this end, it is necessary to:

1. Unify the conceptual framework at the level of federal laws and subordinate regulatory acts, eliminating contradictions between different definitions of digital assets, cryptocurrencies, and tokens. In particular, it is advisable to clarify the relationship between digital assets and digital currencies within the framework of prospective cryptocurrency market regulation.

2. Provide in the regulatory framework for the possibility of functional differentiation of digital assets depending on their actual use in civil circulation (payment tokens, utility tokens, investment tokens, etc.). This will allow differentiation of requirements for issuers and operators, taking into account the risks and specific features of each type of asset.

The authors' classification of cryptocurrencies and digital assets by type of functioning, considering the provisions of the regulatory documents currently in force in Russia, is presented in the *figure*.

According to the authors, the classification based on IFRS IAS 32 is more accurate, and electronic money (EM) and digital currency (DC) should be included in the category of digital financial assets. Therefore, it is proposed to make the corresponding amendments to Federal Laws No. 259-FZ and No. 161-FZ.

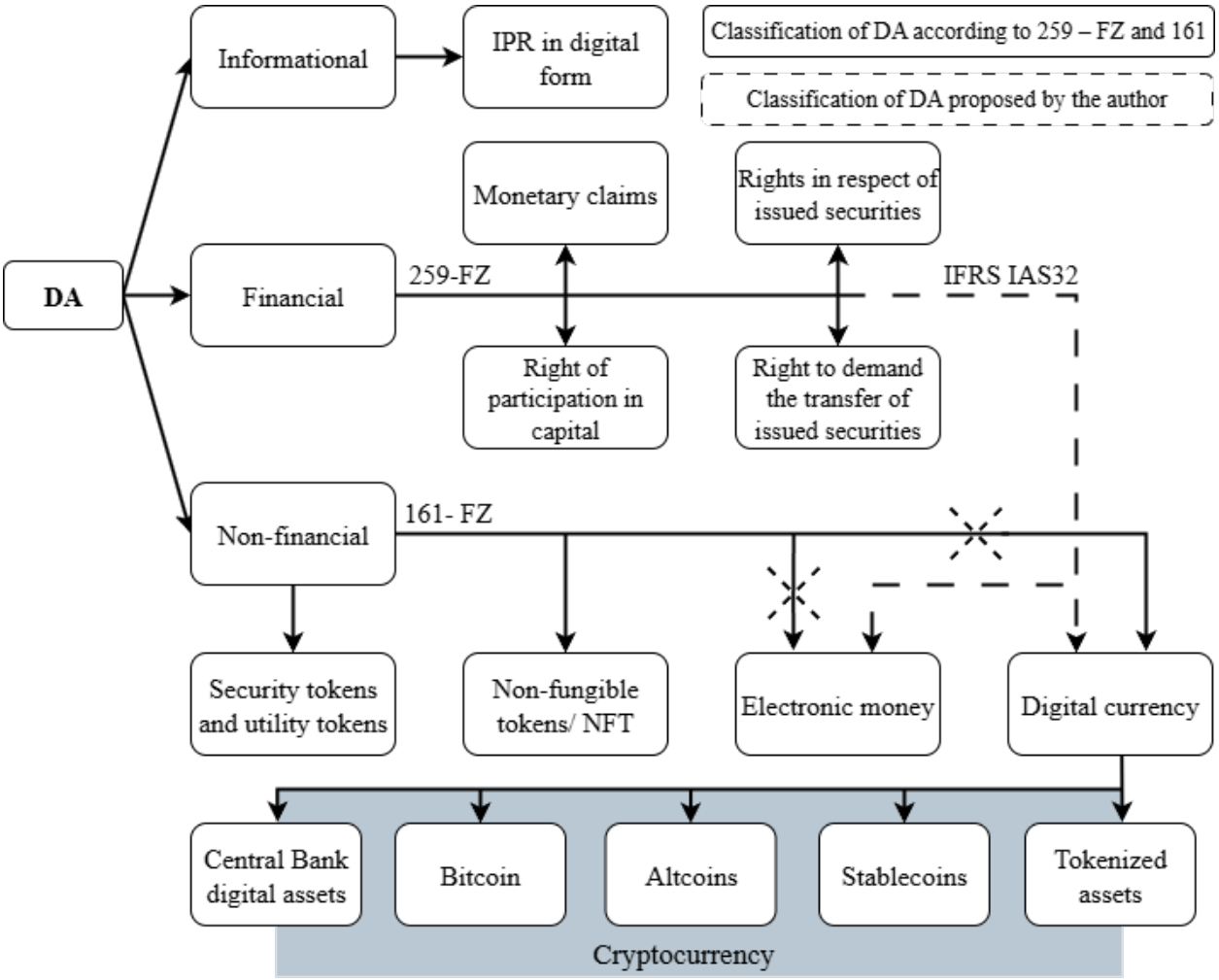

Fig. **Classification of cryptocurrencies and digital assets by type of functioning**

Source: compiled by the authors.

Note: solid line — classification according to 161-FZ and 259-FZ; dotted line — contradictions with IFRS IAS 32.

3. Develop a coordinated system of accounting and taxation for operations with digital financial assets (DFAs) and cryptocurrencies that ensures a balance between combating illegal transactions and creating favorable conditions for the development of the digital economy. In particular, it is important to establish procedures for reflecting cryptoassets in the balance sheets of organizations and individuals, as well as mechanisms for calculating and paying taxes on income from their circulation.

4. Create legal conditions for integrating smart contracts and other distributed ledger–based technological solutions into the existing system of contractual relations. This implies clarifying the legal status of smart contracts, defining requirements for their form and content, and addressing issues of liability and applicable law.

5. Intensify cooperation with international organizations and foreign regulators to develop common standards and unify approaches to the regulation of cryptoassets. Given the cross-border nature of most blockchain projects, it is important to ensure the compatibility of Russian legislation with global rules governing the crypto market.

6. Implement investor protection mechanisms. It is proposed to create legal conditions for licensing cryptocurrency exchanges, similar to the MiCA regulation, which sets requirements for transaction transparency, platform capitalization, and client asset protection. It is also advisable to develop a state platform for verifying initial coin offerings (ICOs), providing legitimacy checks of projects, analysis of white papers (foundational technical documents for crypto instruments), and compliance with disclosure standards. As noted by the European Central Bank, such an approach reduces fraud risks and increases investor confidence in digital assets.[18]

7. Strengthen control over illegal operations. A key regulatory element should be the introduction of mandatory KYC (Know Your Customer) and AML (Anti-Money Laundering) procedures, requiring user identification at all stages of interaction with crypto platforms. These measures, enshrined in the Rosfinmonitoring Agreement, have already proven effective in the traditional financial system.[19]

8. Develop a methodology for stress testing to assess systemic risks, analogous to the approach of the European Central Bank, which analyzes the impact of cryptoassets on bank liquidity, capital volatility, and the resilience of payment infrastructure. Such analysis will enable forecasting crisis scenarios related to mass adoption of cryptocurrencies by the population and timely adjustment of regulatory norms.

Implementation of these proposed measures, aimed at synchronizing Russian legislation with international standards, will help not only to eliminate existing legal gaps and conflicts but also to create a foundation for the balanced integration of cryptoassets into Russia's financial and economic system. This will ensure the harmonization of innovative digital economy development with the protection of national interests and promote the sustainable integration of new technologies into the legal framework.

CONCLUSION

The conducted analysis has shown that currently there is no clear and consistent system of terms and classifications regarding cryptocurrencies and digital assets in Russian legislation and law enforcement practice. Federal Law No. 259-FZ has not fully resolved the existing legal uncertainties and conflicts. The concepts introduced in the law, such as "digital currency" and "digital financial assets," insufficiently reflect the technological and economic features of cryptocurrencies and tokens and contradict established practices of their use.

At the same time, the diversity of approaches to systematization and the multiplicity of characteristics of digital assets in academic literature complicate the development of universal criteria for their differentiation. Most cryptocurrencies and tokens have a hybrid nature, combining the proper-

[18] URL: https://www.ecb.europa.eu/press/financial-stability-publications/fsr/html/index.en.html

[19] URL: https://www.consultant.ru/document/cons_doc_LAW_275858/

ties of payment means, speculative instruments, and utility units within blockchain systems. Attempts to classify them as electronic money, uncertificated securities, or digital rights face significant limitations.

Given the rapid development of distributed technologies and the constant emergence of new types of digital instruments, it seems impractical to fix all possible types of cryptoassets within a closed list. Instead, a flexible risk-oriented approach is necessary, allowing regulatory requirements to be differentiated depending on the specific purposes of issuance and circulation of the digital asset, its technological implementation, and actual usage by participants in civil turnover.

Ignoring the risks associated with cryptocurrencies could lead to systemic crises, including loss of control over financial stability and growth of the shadow economy. The implementation of the proposed measures, on the contrary, will create conditions for sustainable development of the digital economy, combining the innovative potential of blockchain technologies with the protection of the interests of the state, business, and society. Achieving this balance requires not only legal reforms but also active dialogue among regulators, market participants, and the academic community.

The authorial definitions of digital currency, cryptoasset, and cryptocurrency proposed in this article aim to clarify the key characteristics of the studied phenomena, taking into account legal, economic, and technical aspects. They can serve as a guideline for the further development of regulatory frameworks in the absence of established approaches. At the same time, it is important to ensure terminological unity across various regulatory acts and the integration of Russian norms with international standards.

Further improvement of Russian legislation should follow the path of establishing legal foundations for the issuance and circulation of digital assets (considering their functional specifics) as well as removing excessive restrictions on the use of distributed ledger technologies in the financial sector. Special attention should be paid to issues of taxation, accounting, and reporting related to the ownership and transactions with cryptoassets. It is important to develop a balanced approach that, on one hand, counters the use of cryptocurrencies for unlawful purposes, and on the other hand, does not hinder digital innovation and the development of the domestic blockchain industry.

Achieving clarity in basic definitions and regulatory principles will create conditions for the formation of a mature digital asset market in Russia, capable of attracting investments and technological expertise while respecting the rights and legitimate interests of all participants.

REFERENCES

1. Gabov A.V. A digital ruble of the Central Bank as a civil rights object. *Aktual'nye problemy rossiiskogo prava = Actual Problems of Russian Law*. 2021;16(4):55–65. (In Russ.). DOI: 10.17803/1994-1471.2021.125.4.055-065
2. Savelyeva M.V. On the formation of the mechanism of legal regulation of relations related to cryptoassets in the era of global digitalization. *Akademicheskii yuridicheskii zhurnal = Academic Law Journal*. 2022;23;(1):78–86. (In Russ.). DOI: 10.17150/1819-0928.2022.23(1):78-86
3. Kochergin D. Crypto-assets: Economic nature, classification and regulation of turnover. *Vestnik mezhdunarodnykh organizatsii: obrazovanie, nauka, novaya ekonomika = International Organisations Research Journal*. 2022;17(3):75–130. (In Russ.). DOI: 10.17323/1996-7845-2022-03-04
4. Narayanan A., Bonneau J., Felten E., et al. Bitcoin and cryptocurrency technologies. Draft. Princeton: Princeton University Press; 2015. 29 p. URL: http://vis.usal.es/rodrigo/documentos/papers/Narayanan2015.pdf
5. Loseva O.V. Types and classification of digital assets for valuation purposes. *Imushchestvennye otnosheniya v Rossiiskoi Federatsii = Property Relations in the Russian Federation*. 2022;(2):45–57. (In Russ.). DOI: 10.24412/2072-4098-2022-2245-45-57

6. Foley S., Karlsen J.R., Putniņš T.J. Sex, drugs, and Bitcoin: How much illegal activity is financed through cryptocurrencies? *The Review of Financial Studies*. 2019;32(5):1798–1853. DOI: 10.1093/rfs/hhz015
7. Frolov I.V. Cryptocurrency as a digital financial asset in Russian jurisdiction: On the issue of corporeal or legally binding concept. *Pravo i ekonomika*. 2019;(6):5–17. (In Russ.).
8. Yazman E., Sharif H. Categorization of cryptoassets. In: Munoz J.M., Frenkel M., eds. The economics of cryptocurrencies. Abingdon: Routledge; 2020:34–50.
9. Zetzsche D.A., Buckley R.P., Arner D.W., Föhr L. The ICO gold rush: It's a scam, it's a bubble, it's a super challenge for regulators. *Harvard International Law Journal*. 2019;60(2):267–315. URL: https://journals.law.harvard.edu/ilj/wp-content/uploads/sites/84/3_ICO_60.2.pdf
10. Katsiampa P. Volatility estimation for Bitcoin: A comparison of GARCH models. *Economics Letters*. 2017. DOI: 10.1016/j.econlet.2017.06.023.
11. Bianchi D., Babiak M. On the performance of cryptocurrency funds. *Journal of Banking & Finance*. 2022;138:106467. DOI: 10.1016/jjbankfin.2022.106467
12. Shahzad S.J.H., Anas M., Bouri E. Price explosiveness in cryptocurrencies and Elon Musk's tweets. *Finance Research Letters*. 2022;47B:102695. DOI: 10.1016/jfrl.2022.102695
13. Conlon T., Corbet S., McGee R.J. Are cryptocurrencies a safe haven for equity markets? An international perspective from the COVID-19 pandemic. *Research in International Business and Finance*. 2020;54:101248. DOI: 10.1016/jribaf.2020.101248
14. Narayanan A., Bonneau J., Felten E., et al. Bitcoin and cryptocurrency technologies: A comprehensive introduction. Princeton: Princeton University Press; 2016. 336 p.
15. Kinsburskaya V.A. Identifying cryptocurrency holders for the purposes of counteracting laundering of illegally obtained moneys and financing of terrorism. *Natsional'naya bezopasnost' / nota bene = National Security / nota bene*. 2019;(3):1–14. (In Russ.). DOI: 10.7256/2454-0668.2019.3.29720
16. Eskindarov M.A., Maslennikov V.V., Maslennikov O.V. Risks and chances of the digital economy in Russia. *Finance: Theory and Practice*. 2019;23(5):6–17. DOI: 10.26794/2587-5671-2019-23-5-6-17

ABOUT THE AUTHORS

Anatoly V. Krupochkin — chief specialist, Salym Petroleum Development LLC, Moscow, Russian Federation
http://orcid.org/0009-0003-5004-9814
Corresponding author:
9683601984@mail.ru

Irina P. Khominich — Dr. Sci. (Econ.), Professor of the Global Financial Markets and Fintech Department of the Plekhanov Russian University of Economics, Moscow, Russian Federation
http://orcid.org/0000-0001-9033-4669
Khominich.IP@rea.ru

Conflicts of Interest Statement: The authors have no conflicts of interest to declare.

The article was received on 20.01.2025; revised on 14.02.2025 and accepted for publication on 27.02.2025. The authors read and approved the final version of the manuscript.