

Bitcoins under the hammer in France

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France is auctioning off seized bitcoins for the first time and could reap millions for the state budget

Governments might look askance at bitcoin, but it does not mean they do not want to cash in on its soaring value and France is set to pocket nearly \$30 million from its first-ever action of the cryptocurrency, a minister said on Wednesday.

The sale was of more than 600 coins seized as part of an investigation and were valued at more than \$30 million based on current market prices.

Held online by the Kapandji Morhange auction house, the sale attracted nearly 1,600 bidders.

"It's a sale that will raise 24 million euros (\$29 million) in proceeds for the government", the minister of public finances, Olivier Dussopt, told the television channel, BFM Business, at the end of the auction.

When preparations got underway in September, bitcoin was trading around \$10,000, far from the \$60,000 it struck over the weekend, putting the sale of 611 coins in an altogether different league.

When bidding began at 9:00 am (0800 GMT), the starting price stood at 23,250 euros per coin, but most of the coins sold for around 40,000 euros apiece, more or less in line with the current market price minus exchange rate rates and commission.

Although bitcoin has often been accused of being a speculative asset and a means for criminals to move and launder money, the cryptocurrency has seen its value soar in recent months as more mainstream companies like Tesla and hedge fund BlackRock get behind it.

No information has been disclosed about the provenance of the bitcoins as the legal process is underway.

If the defendant wins, they'll receive the funds from the auction minus commissions paid to the auction house.

Otherwise, the French state will pocket any money not awarded by the court to victims or charity.

France is far from the first to auction cryptocurrencies, with the United States doing so in 2014, followed by Canada, Australia, Belgium and Britain, according to the auction house.

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