# El Salvador May Soon Stop Buying Bitcoin

* **Amendments in the** [**Bitcoin**](https://blockzeit.com/currencies/bitcoin/) **Law of El Saldavor suggest that its government may soon end its BTC purchases.**
* **The Central American nation holds over 6,081 BTC in its crypto coffers, worth $580.69 million at present rates.**

El Salvador rose to prominence in the cryptocurrency community upon announcing its bold move geared toward Bitcoin (BTC) adoption in 2021. Over the years, it has become a staple reference for countries looking to incorporate the OG crypto asset in their treasury reserves and daily transactions.

However, the amendments in the Central American nation’s laws have fueled speculation that its Bitcoin experiment may be on the verge of failure. Even [Samson Mow](https://blockzeit.com/jan3-ceo-hints-proposed-multi-billion-bitcoin-purchase-of-germany/), CEO at Jan3, has expressed an iota of doubt on the future of the country’s Bitcoin programs.

## Bitcoin Law Amendment in El Salvador

[According to Mow](https://twitter.com/Excellion/status/1890202530694705393), El Salvador’s amendments in its Bitcoin law do not necessarily mean that the program has entirely failed. Instead, it only allows compliance with its agreement with the International Monetary Fund (IMF) to secure a loan agreement.

The changes included the removal of Bitcoin’s status as currency. In addition, it prohibited the use of the digital asset for tax payments and settlement of government dues.

Moreover, the new law doesn’t allow the government to “touch BTC” anymore, except the ones kept in its reserves. So far, this has resulted in FUD about the potential phase-out of the government’s Chivo crypto wallet. It also cast dread about the possibility of a massive Bitcoin sell-off by the Salvadorans.

On the other hand, the Jan3 CEO pointed out several contradictions with the amendments as it still hadn’t completely ruled out BTC’s use as a legal tender. It simply made the crypto asset a “voluntary legal tender.”

Furthermore, some parts of the Bitcoin Law are still enforceable. One of them is the lack of capital gains tax on Bitcoin.

## One Bitcoin a Day Program May Soon End

To date, the El Salvador Government still holds 6,081 BTC worth over $580.69 million at prevailing rates based on [Arkham data](https://intel.arkm.com/explorer/entity/el-salvador). This translates to more than 105% gain from its total investment of $157.75 million for BTC at an average cost of $46,307.17 per coin.

As of today, the country still continues its routine of purchasing one Bitcoin a day. But then again, Mow thinks it may soon end, citing a vague stipulation in the IMF agreement.

“For the public sector, engagement in Bitcoin-related economic activities and transactions in and purchases of Bitcoin will be confined,” a part of the El Salvador and IMF agreement read.

Mow is not entirely sure what the operative word “confined” meant in the document, but it could mean El Salvador’s Bitcoin buying spree “may be stopped at a later time.”