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Four Ways To Convert Your BTC for Cash In Today's Volatile Crypto Market

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Today, [Bitcoin BTC](#) is generally categorized as a Digital/crypto-asset, otherwise known as digital gold. So you bought some [Bitcoin](#) at some point when the price was low, and now you're considering, you may want to lock in some of the gains from the price hike.

Selling Bitcoin BTC for cash used to be a big deal in the early days of the crypto-asset, with few channels around back then. Now that the asset has stood the test of time, attained mainstream and massive institutional adoption, there are more ways to convert your Bitcoin holdings to cash. However, what are the reasons you might want to convert Bitcoin to cash?

Investors and early adopters flock to Bitcoin on the belief that it'll one day replace cash, AKA fiat currencies, and possibly a globally accepted exchange of value.

Now, that is only likely when all the Bitcoins programmed into existence have been mined. For now, we sell the bitcoin for cash, taking advantage of the ebbs and flows of the BTC exchange rate.

You may also want to sell your Bitcoin for cash to pay for real-life goods/services.

Use [Bitcoin futures](#) or [Ethereum futures](#) to speculate on the future price of Bitcoin or Ethereum without having to hold the underlying cryptocurrency.

Here are ways you can convert Bitcoin BTC to cash:

- Cryptocurrency Exchanges
- Bitcoin ATMs
- Bitcoin Debit Cards
- One-on-one BTC transaction

1. Cryptocurrency Exchanges



The most common way to convert your Bitcoin to cash today is on a crypto exchange like Coinbase, Binance, etc.

Exchanges make it easy for you to buy or sell Bitcoin and cryptocurrencies using your bank account.

Crypto exchanges generally have to comply with AML (Anti-money-laundering), and KYC (Know your customer) rules before granting your access to perform crypto-fiat transactions.

You'll need to sign up on any broker of your choice and provide the required documents. Next, you can make a deposit and buy Bitcoin directly.

Cashing out of Bitcoin is easy. You can either convert your Bitcoin to a stable coin like USDT or its variants as a hedge against bearish fluctuations. You can choose to make a direct withdrawal to a fiat bank account, CashApp by Square, or PayPal.

2. Peer-to-Peer Transactions

Are you looking for a somewhat anonymous way of cashing out of your Bitcoin gains? You may want to consider peer-to-peer escrow services like Localbitcoins or Paxful.

Make your choice from a range of payment methods on these platforms, after which the platform holds the Bitcoin in escrow till you confirm receiving equivalent cash (or other) deposit from the buyer.

You can be specific on only receiving cash Deposits or bank transfers from buyers on any of these peer-to-peer platforms.

Let's look at a sample scenario for a peer-to-peer transaction.

Sam wants to buy a fraction of Bitcoin BTC, say, 0.5BTC. He goes on to run a search for sellers around his location/country. Sam can select a list of sellers and go for a seller with a better exchange rate and high social rating.

Assuming you are that seller that fits into Sams' seller profile and decides to buy from you, he can send his buyer request, which you can accept.

You can go on to keep your Bitcoin in escrow to be released only when you confirm that Sam has completed the cash deposit.

Sam makes the agreed cash deposit or online transfer to your bank account, which you can acknowledge receipt and authorized release of the Bitcoin held in escrow.

3.Bitcoin ATMs



Bitcoin BTC ATMs work in a similar way to traditional ATMs. At a physical Bitcoin ATM center, you

can withdraw fiat money from your BTC address. Visit coinatmradar.com to locate a Bitcoin ATM closest to you.

A point to note is that transactions on Bitcoin ATMs can be on the high side.

4.Bitcoin Debit Cards



Some online websites will issue you a Visa/MasterCard powered prepaid debit card if you choose to sell Bitcoin on their platforms. You can make online purchases and withdrawals at regular ATMs that accept VISA and MasterCard transactions.

5.One-on-one BTC transaction



Say you meet someone on a one-on-one basis, and they want to buy Bitcoin from you. You can opt for a common way of getting paid, a cash deposit via bank transfer.

Here, you can avoid transaction fees on peer-to-peer platforms and Bitcoin ATMs altogether.

However, you may want to ensure that all transactions are carried out in a public location to avoid the risks of being robbed of your BTC.



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Points to Consider when making Bitcoin BTC to Cash conversions

There are two critical points to look at when making BTC-to-cash transactions. The first is Taxes, and the second is Transaction fees.

Taxes

Bitcoin traders and investors now have to consider paying tax on their crypto and Bitcoin transactions as the IRS now asks if you hold any digital asset on one of its tax forms.

There's no hiding place for a goldfish, as Bitcoin and crypto exchanges will notify the tax office of your profit upon cashing out.

Transaction Fees

BTC-to-cash transactions generally attract your local banks' transaction fees and the exchange from where the transaction is taking place.

Conclusion

Cashing out on Bitcoin gains is very important; after all, we are all into the trading and investment for the money.

So, when shopping for a crypto exchange or considering other BTC-to-Cash payout channels, you must put the above points into account, along with the waiting time for your cash to arrive.

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