

DECENTRALIZED AI / SUBNETS / INCENTIVES

TAO BITTENSOR

A 21-MILLION-TOKEN COORDINATION LAYER FOR COMPETING MARKETS OF MACHINE INTELLIGENCE.



NETWORK
SUBTENSOR

MAX SUPPLY
21 MILLION

ROLE
INCENTIVE + STAKE

SECTOR
AI + COMPUTE

STRUCTURE SUBNETS Independent digital markets	PRODUCERS MINERS AI, compute, data + more	EVALUATORS VALIDATORS Score miner performance	SUBNET ASSETS ALPHA One market per subnet	CHAIN TODAY PoA NPoS remains planned
--	--	--	--	---

01 60-SECOND EXPLANATION

NOT ONE AI MODEL. A MARKET OF MARKETS.

Bittensor is an open incentive network where independent **subnets produce digital commodities** such as inference, compute, storage, data and prediction. TAO is the common asset that coordinates capital and rewards.

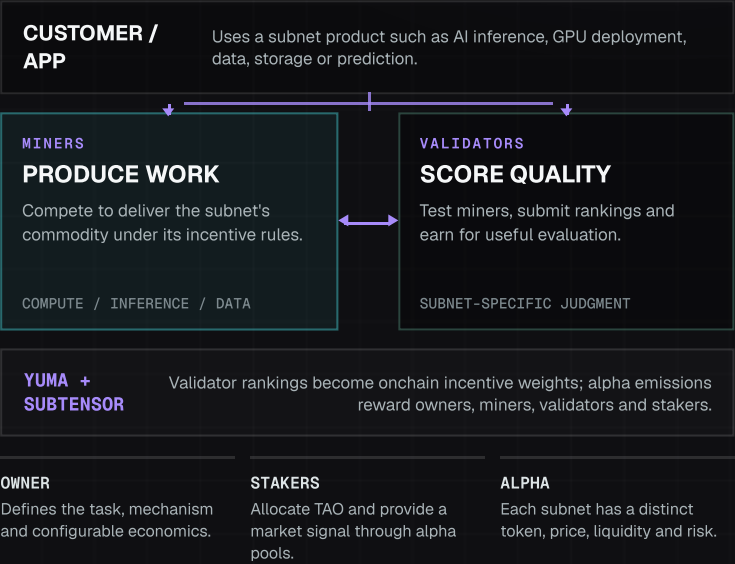
Subnet: an offchain competition with its own task, miners, validators, scoring rules and alpha token - connected to the Subtensor blockchain for identity, staking and rewards.

CORE DESIGN THESIS

- 01 **Independent production:** each subnet can define a different commodity and competition.
- 02 **Market-set budgets:** subnet alpha demand helps determine where new TAO emissions flow.
- 03 **The real test:** token demand should ultimately map to useful products and paying customers.

02 INCENTIVE ARCHITECTURE

PRODUCE. JUDGE. REWARD.



03 WHY TAO EXISTS

UTILITY / 01 BASE CURRENCY TAO pays chain fees, registration costs and the network's incentive budget.	UTILITY / 02 ROOT STAKING TAO can be delegated 1:1 on root without a subnet swap or alpha price exposure.	UTILITY / 03 SUBNET ALLOCATION Staking into a subnet swaps TAO for alpha, signaling demand and earning emissions.	UTILITY / 04 REWARD PRODUCTION New issuance funds subnet owners, miners, validators and their stakers.
---	--	--	---

IMPORTANT: TAO is not equity in Bittensor subnets or AI companies. A subnet alpha token is a separate market asset, and direct subnet staking adds price, liquidity and slippage risk.

04 LIVE DATA - CHECK WHEN VIEWING

SUBNET ECONOMY Taostats > Alpha, stake, emission + volume	REAL AI PRODUCT Chutes > Inference + GPU pricing	STAKING MARKET TAO.app > Live stake / unstake activity	LIVE CHAIN Blocks > Blocks, transfers + extrinsics
---	--	--	--

REWARD WORK. QUESTION DEMAND.

Token emissions can bootstrap useful AI - or subsidize activity that never becomes customer demand. Track both sides.

05 SUPPLY SCHEDULE

21 MILLION TAO MAXIMUM SUPPLY

Before first halving

10.500M

Second issuance era

5.250M

Third issuance era

2.625M

Long emission tail

2.625M

Official token-economy materials describe a fair launch with no premine or ICO. New supply is earned through network participation rather than scheduled insider unlocks.

SUPPLY STRUCTURAL VIEW

21M MAXIMUM SUPPLY

FAIR LAUNCH / NO VC ALLOCATION

Circulating, delegated, locked and pool-held TAO are reported differently across dashboards. Use live chain data rather than a stale snapshot.

Check [live issuance + halving data](#) >

HALVING FRAMEWORK

Threshold driven. Verify live issuance before use.

Issuance thresholds: emission halves when issued supply crosses 10.5M, 15.75M and later midpoints of the remaining cap.

Recycling matters: eligible fees and registration payments can return TAO to unissued supply, delaying the exact next-halving date.

06 INCENTIVE VALUE FLOW

MARKETS CHOOSE WHERE EMISSIONS GO.

TAO BUYS ALPHA

Direct subnet staking swaps TAO into that subnet's alpha pool and signals demand.

→

PRICE SETS BUDGET

Moving alpha prices help determine each subnet's share of new TAO emissions.

→

PARTICIPANTS EARN

Alpha issuance rewards the owner, miners, validators and their stakers.

Commercial demand is separate: customers can pay for a subnet product without creating an automatic dividend for TAO holders.

Subnet staking is market exposure: alpha price, liquidity, fees and exit slippage affect the TAO value of the position.

07 ROADMAP SIGNALS

DEVELOPMENT STATUS TO VERIFY.

Reviewed August 2026. Status signals are not promises of future adoption or fixed delivery dates.

LIVE FOUNDATION

dTAO + first halving: subnet alpha markets launched in February 2025; TAO's first issuance halving occurred in December 2025.

JULY 2026

V440 + V441: the Emission Gate concentrated rewards toward stronger-demand subnets; Root Reborn introduced validator-linked reward baskets.

TRACK NEXT

Chain decentralization: Subtensor remains Proof of Authority today. Nominated Proof of Stake is planned, with timing explicitly subject to change.

08 WHAT TO MONITOR

DEMAND VS SUBSIDY

Token emissions can fund activity before a subnet proves durable outside customers, revenue or product-market fit.

ALPHA MARKET RISK

Subnet stake is a token swap. Thin liquidity, price moves, fees, slippage and deregistration can reduce exit value.

SCORING + CONCENTRATION

Validator tests can be gamed or copied; the Emission Gate sends more rewards toward a smaller market-ranked group.

CHAIN AUTHORITY

Approved authorities still produce and finalize Subtensor blocks. NPoS remains a roadmap item, not current security.

SOURCES + LIVE-DATA PROVIDERS

1. Bittensor - explained

2. Docs - network roles

3. Docs - emissions + halvings

4. Docs - staking + pools

5. Docs - chain consensus

6. Dynamic TAO whitepaper

7. Bittensor - V440 gate

8. Bittensor - V441 root

9. OTF - fair-launch economy

10. Taostats - live subnets

11. Taostats - live supply

12. Chutes - live AI pricing

ALPHASTACK BYBIT LINK

TRADE CRYPTO ON BYBIT

bybit.com/invite?ref=LVY30QL

Bybit referral - not affiliated with Bittensor.

AlphaStack may earn rewards from eligible activity. Availability varies by jurisdiction; check eligibility and platform terms. Perpetuals and leverage can cause rapid or total loss.