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Terra Luna Classic Burn: Users of Terra Classic Hope to Right the Ship by Mass-Burning LUNC

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Users of Terra Classic are encouraged by the prospect of an upcoming increase in the burn tax.

Abstract:

- It has been suggested that [Terra Classic](#) (LUNC-USD) incorporate a coin burning mechanism as an attempt to raise LUNC pricing.
- A month after its inception, the network is still suffering.
- Twitter users believe that limiting supply would lead to a surge in demand, which in turn will lead to significant gains.

[Terra Classic](#)'s (LUNC-USD) recent expectations have been at rock-bottom levels. It's not getting to the bulls who are still working on the project; rather, it's fueling their efforts to get the cryptocurrency prices back on track. A coordinated effort to raise the price of [LUNC](#) has been spotted by investors today. What if that's all it takes to get the coin moving again?

It's not unreasonable to attribute the crypto market's downturn this summer to [Terra](#). The collapse of the [stablecoin](#) TerraClassicUSD (USTC-USD) from its peg, which was the ninth-largest in the world at the time, caused a lot of market volatility. A large-scale sale of USTC tokens has little effect on the cryptocurrency's price stability because it is an algorithmic stablecoin.

Luna Classic and the stablecoin had a lot of people worried because of Terra's scale and the fact that many retail and institutional investors have a lot of money invested in them. The value of both coins plummeted as people began to unload their holdings. As a result of their huge stakes in [Celsius](#) (CEL-USD) and [Voyager Digital](#), both corporations are now heavily in debt. They're now bankrupt, along with many others.

In fact, the impact of Terra's demise has had a far-reaching effect, causing the Bitcoin (BTC-USD) price to fall below \$20,000 and the entire crypto market capitalization to go below \$1 trillion. It appears, though, that prices are beginning to turn the other way. Because of upcoming bullish events, such as the Ethereum (ETH-USD) Merge upgrade, money is once again flowing into the

cryptocurrency market. Some of Terra Classic's long-term customers believe it's time for them to take the reins and lead the company's reorganization efforts themselves.

In an attempt to stoke the flames of a price rebound, Terra Classic is trending on Twitter

In the wake of its collapse, Terra has undergone an extensive transformation. Terra 2.0 (LUNA-USD) and Terra Classic (LUNA-USD) are now two separate networks, and most people prefer the new 2.0 network over the Classic one. A large number of cryptocurrency devotees, however, think the coin has the potential to be a profitable investment. What if they turn out to be right? A new coin-burning campaign will serve as the first sign.

New currency burning proposal passed through the community recently, and the hashtag #LunaClassic is gaining traction on Twitter. As recently as last week, a developer was granted permission by regulators to impose an additional 1.2% burn tax on all transactions in order to re-create the supply and demand economics that governed the original Terra environment.

As LUNC supply is gradually reduced, users want to boost demand for the cryptocurrency and raise the price of USTC as a result. In order to make this plan work, the demand must rise or at least maintain its current size. We don't yet know if decreasing supplies prompts people to turn to the network.

In light of the good news, LUNC crypto prices have risen. The last 24 hours have seen a 2% increase in prices. With today's trades totaling \$122 million, the volume is consistent with the past few days. Inevitably, once the network's burn tax goes into effect, this volume will climb. For the time being, the update can only be found on the Terra Classic test network and is therefore not widely available.