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INCOME-TAX ACT, 2025

F: Levy of fee in certain cases

Section 427 - Fee for default in furnishing statements.

(1) Without prejudice to the provisions of this Act, where any person fails to deliver or cause to be delivered a statement as per section 397(3)(b) within the time prescribed therein, he shall be liable to pay by way of fee, a sum of ₹ 200 for every day for which such failure continues.

(2) The amount of fee referred to in sub-section (1) shall–

(a) not exceed the amount of tax deductible or collectible; and

(b) be paid before delivering or causing to be delivered the statement, as per sub-section (1).

(3) Without prejudice to the provisions of this Act, where any person who is required to furnish a statement of financial transaction or reportable account under section 508(1), fails to furnish such statement within the time prescribed under section 508(2), he shall be liable to pay by way of fee, a sum of ? 200 for every day for which such failure continues and such fee shall not exceed a sum of ? 100000.

1. Substituted by The Finance Act, 2026 for

(1)Without prejudice to the provisions of this Act, where a person fails to deliver or cause to be delivered a statement within the time prescribed in section 397(3)(b), he shall be liable to pay, by way of fee, a sum of ?200 for every day during which the failure continues.

(2) The amount of fee referred to in sub-section (1) shall,—
(a) not exceed the amount of tax deductible or collectible; and
(b) be paid before delivering or causing to be delivered the statement, as per sub-section (1).

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