

## INCOME-TAX ACT, 2025

### Chapter XXI: PENALTIES

#### **Section 442 - Penalty for failure to keep and maintain information and document, etc., in respect of certain transactions.**

(1) The Assessing Officer or Commissioner (Appeals) may impose a penalty of 2% of the value of each international transaction or specified domestic transaction entered into by a person, if in respect of such transaction he,—

(a) fails to keep and maintain any such information and document as required by section 171(1);

(b) fails to report such transaction which he is required to do so; or

(c) maintains or furnishes an incorrect information or document.

(2) The prescribed income-tax authority referred to in section 171(4) may impose a penalty of ₹500000 on a person, if he fails to furnish the information and document required under the said section.