

INCOME-TAX ACT, 2025

Chapter XXI: PENALTIES

Section 454 - Penalty for failure to furnish statement of financial transaction or reportable account.

(1) If a 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 sub-section (2) thereof, the income-tax authority prescribed under the said sub-section (1) may impose on him, a penalty of ₹500 for every day during which such failure continues.

(2) If the person referred to in sub-section (1), fails to furnish the statement within the period specified in the notice issued under section 508(7), he shall pay penalty of ₹1000 for every day during which the failure continues, beginning from the day immediately after the time specified in such notice for furnishing the statement expires.