

taxpayer's position in such proceedings is frivolous or groundless".

1982—Pub. L. 97-248, §292(d)(2)(A), substituted "primarily for delay, etc." for "merely for delay" after "Tax Court" in section catchline.

Subsec. (a). Pub. L. 97-248, §292(b), substituted "or maintained by the taxpayer primarily for delay or that the taxpayer's position in such proceedings is frivolous or groundless, damages in an amount not in excess of \$5,000" for "by the taxpayer merely for delay, damages in an amount not in excess of \$500" in first sentence.

1976—Pub. L. 94-455 struck out "or his delegate" after "Secretary".

#### EFFECTIVE DATE OF 1989 AMENDMENT

Pub. L. 101-239, title VII, §7731(d), Dec. 19, 1989, 103 Stat. 2402, provided that: "The amendments made by this section [amending this section and section 7482 of this title] shall apply to positions taken after December 31, 1989, in proceedings which are pending on, or commenced after such date."

#### EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100-647, title VI, §6241(d), Nov. 10, 1988, 102 Stat. 3749, provided that: "The amendments made by this section [enacting section 7433 of this title and amending this section] shall apply to actions by officers or employees of the Internal Revenue Service after the date of the enactment of this Act [Nov. 10, 1988]."

#### EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99-514, title XV, §1552(b), Oct. 22, 1986, 100 Stat. 2753, provided that: "The amendment made by subsection (a) [amending this section] shall apply to proceedings commenced after the date of the enactment of this Act [Oct. 22, 1986]."

#### EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-248 applicable to any action or proceeding in the Tax Court commenced after Dec. 31, 1982, or pending in the Tax Court on the day 120 days after July 18, 1984, see section 292(e)(2) of Pub. L. 97-248, as amended, set out as an Effective Date note under section 7430 of this title.

### § 6674. Fraudulent statement or failure to furnish statement to employee

In addition to the criminal penalty provided by section 7204, any person required under the provisions of section 6051 or 6053(b) to furnish a statement to an employee who willfully furnishes a false or fraudulent statement, or who willfully fails to furnish a statement in the manner, at the time, and showing the information required under section 6051 or 6053(b), or regulations prescribed thereunder, shall for each such failure be subject to a penalty under this subchapter of \$50, which shall be assessed and collected in the same manner as the tax on employers imposed by section 3111.

(Aug. 16, 1954, ch. 736, 68A Stat. 828; Pub. L. 89-97, title III, §313(e)(2)(C), July 30, 1965, 79 Stat. 385.)

#### AMENDMENTS

1965—Pub. L. 89-97 substituted "6051 or 6053(b)" for "6051" wherever appearing.

#### EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by section 313 of Pub. L. 89-97 applicable only with respect to tips received by employees after 1965, see section 313(f) of Pub. L. 89-97, set out as a note under section 6053 of this title.

### § 6675. Excessive claims with respect to the use of certain fuels

#### (a) Civil penalty

In addition to any criminal penalty provided by law, if a claim is made under section 6416(a)(4) (relating to certain sales of gasoline), section 6420 (relating to gasoline used on farms), 6421 (relating to gasoline used for certain non-highway purposes or by local transit systems), or 6427 (relating to fuels not used for taxable purposes) for an excessive amount, unless it is shown that the claim for such excessive amount is due to reasonable cause, the person making such claim shall be liable to a penalty in an amount equal to whichever of the following is the greater:

- (1) Two times the excessive amount; or
- (2) \$10.

#### (b) Excessive amount defined

For purposes of this section, the term "excessive amount" means in the case of any person the amount by which—

- (1) the amount claimed under section 6416(a)(4), 6420, 6421, or 6427, as the case may be, for any period, exceeds
- (2) the amount allowable under such section for such period.

#### (c) Assessment and collection of penalty

**For assessment and collection of penalty provided by subsection (a), see section 6206.**

(Added Apr. 2, 1956, ch. 160, §3, 70 Stat. 90; amended June 29, 1956, ch. 462, title II, §208(d)(2), 70 Stat. 396; Pub. L. 89-44, title II, §202(c)(3)(A), June 21, 1965, 79 Stat. 139; Pub. L. 91-258, title II, §207(d)(8), May 21, 1970, 84 Stat. 249; Pub. L. 95-618, title II, §233(b)(2)(D), Nov. 9, 1978, 92 Stat. 3191; Pub. L. 97-424, title V, §515(b)(11)(A)-(C), Jan. 6, 1983, 96 Stat. 2182; Pub. L. 109-59, title XI, §11163(d)(2), (3), Aug. 10, 2005, 119 Stat. 1975.)

#### AMENDMENTS

2005—Subsec. (a). Pub. L. 109-59, §11163(d)(2), inserted "section 6416(a)(4) (relating to certain sales of gasoline)," after "made under" in introductory provisions.

Subsec. (b)(1). Pub. L. 109-59, §11163(d)(3), inserted "6416(a)(4)," after "under section".

1983—Pub. L. 97-424, §515(b)(11)(C), struck out "or lubricating oil" after "fuels" in section catchline.

Subsec. (a). Pub. L. 97-424, §515(b)(11)(A), struck out "6424 (relating to lubricating oil used for certain nontaxable purposes)," after "systems".

Subsec. (b)(1). Pub. L. 97-424, §515(b)(11)(B), struck out "6424," after "6421".

1978—Subsec. (a). Pub. L. 95-618 substituted "used for certain nontaxable purposes" for "not used in highway motor vehicles".

1970—Pub. L. 91-258, §207(d)(8)(A), substituted "fuels" for "gasoline" in section catchline.

Subsec. (a). Pub. L. 91-258, §207(d)(8)(B), inserted reference to section 6427 relating to fuels not used for taxable purposes.

Subsec. (b)(1). Pub. L. 91-258, §207(d)(8)(C), inserted reference to section 6427.

1965—Pub. L. 89-44, §202(c)(3)(A)(i), inserted "or lubricating oil" after "gasoline" in section catchline.

Subsec. (a). Pub. L. 89-44, §202(c)(3)(A)(ii), inserted reference to claims made under section 6424.

Subsec. (b)(1). Pub. L. 89-44, §202(c)(3)(A)(iii), inserted reference to amounts claimed under section 6424.

1956—Act June 29, 1956, §208(d)(2)(A), substituted "with respect to the use of certain gasoline" for "for gasoline used on farms" in section catchline.

Subsec. (a). Act June 29, 1956, §208(d)(2)(B), inserted reference to claims made under section 6421.

Subsec. (b). Act June 29, 1956, §208(d)(2)(C), inserted reference to amounts claimed under section 6421.

#### EFFECTIVE DATE OF 2005 AMENDMENT

Amendment by Pub. L. 109-59 applicable to sales after Dec. 31, 2005, see section 11163(e) of Pub. L. 109-59, set out as a note under section 4101 of this title.

#### EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97-424 applicable with respect to articles sold after Jan. 6, 1983, see section 515(c) of Pub. L. 97-424, set out as a note under section 34 of this title.

#### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-618 effective on first day of first calendar month which begins more than 10 days after Nov. 9, 1978, see section 233(d) of Pub. L. 95-618, set out as a note under section 34 of this title.

#### EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-258 effective July 1, 1970, see section 211(a) of Pub. L. 91-258, set out as a note under section 4041 of this title.

#### EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 effective Jan. 1, 1966, see section 701(a)(1), (2) of Pub. L. 89-44, set out as a note under section 4161 of this title.

#### EFFECTIVE DATE OF 1956 AMENDMENT

Amendment by act June 29, 1956, effective June 29, 1956, see section 211 of act June 29, 1956, set out as a note under section 4041 of this title.

### § 6676. Erroneous claim for refund or credit

#### (a) Civil penalty

If a claim for refund or credit with respect to income tax (other than a claim for a refund or credit relating to the earned income credit under section 32) is made for an excessive amount, unless it is shown that the claim for such excessive amount has a reasonable basis, the person making such claim shall be liable for a penalty in an amount equal to 20 percent of the excessive amount.

#### (b) Excessive amount

For purposes of this section, the term “excessive amount” means in the case of any person the amount by which the amount of the claim for refund or credit for any taxable year exceeds the amount of such claim allowable under this title for such taxable year.

#### (c) Noneconomic substance transactions treated as lacking reasonable basis

For purposes of this section, any excessive amount which is attributable to any transaction described in section 6662(b)(6) shall not be treated as having a reasonable basis.

#### (d) Coordination with other penalties

This section shall not apply to any portion of the excessive amount of a claim for refund or credit which is subject to a penalty imposed under part II of subchapter A of chapter 68.

(Added Pub. L. 110-28, title VIII, §8247(a), May 25, 2007, 121 Stat. 204; amended Pub. L. 111-152, title I, §1409(d), Mar. 30, 2010, 124 Stat. 1070.)

#### CODIFICATION

Section 1409(d) of Pub. L. 111-152, which directed the amendment of section 6676 without specifying the act

to be amended, was executed to this section, which is section 6676 of the Internal Revenue Code of 1986, to reflect the probable intent of Congress. See 2010 Amendment note below.

#### PRIOR PROVISIONS

A prior section 6676, added Pub. L. 87-397, §1(b), Oct. 5, 1961, 75 Stat. 828; amended Pub. L. 91-172, title I, §101(j)(52), Dec. 30, 1969, 83 Stat. 531; Pub. L. 93-406, title II, §1016(a)(20), Sept. 2, 1974, 88 Stat. 931; Pub. L. 97-248, title III, §316(a), Sept. 3, 1982, 96 Stat. 607; Pub. L. 98-67, title I, §105(a), Aug. 5, 1983, 97 Stat. 380; Pub. L. 98-369, div. A, title IV, §422(c), July 18, 1984, 98 Stat. 798; Pub. L. 99-514, title XV, §§1501(b), 1523(b)(3), 1524(b), Oct. 22, 1986, 100 Stat. 2736, 2748, 2749; Pub. L. 100-647, title I, §1015(g), Nov. 10, 1988, 102 Stat. 3570, related to failure to supply identifying numbers, prior to repeal by Pub. L. 101-239, title VII, §7711(b)(1), (c), Dec. 19, 1989, 103 Stat. 2393, applicable to returns and statements the due date for which (determined without regard to extensions) is after Dec. 31, 1989.

#### AMENDMENTS

2010—Subsecs. (c), (d). Pub. L. 111-152 added subsec. (c) and redesignated former subsec. (c) as (d). See Codification note above.

#### EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-152 applicable to refunds and credits attributable to transactions entered into after Mar. 30, 2010, see section 1409(e)(4) of Pub. L. 111-152, set out as a note under section 6662 of this title.

#### EFFECTIVE DATE

Pub. L. 110-28, title VIII, §8247(c), May 25, 2007, 121 Stat. 204, provided that: “The amendments made by this section [enacting this section] shall apply to any claim filed or submitted after the date of the enactment of this Act [May 25, 2007].”

### § 6677. Failure to file information with respect to certain foreign trusts

#### (a) Civil penalty

In addition to any criminal penalty provided by law, if any notice or return required to be filed by section 6048—

(1) is not filed on or before the time provided in such section, or

(2) does not include all the information required pursuant to such section or includes incorrect information,

the person required to file such notice or return shall pay a penalty equal to the greater of \$10,000 or 35 percent of the gross reportable amount. If any failure described in the preceding sentence continues for more than 90 days after the day on which the Secretary mails notice of such failure to the person required to pay such penalty, such person shall pay a penalty (in addition to the amount determined under the preceding sentence) of \$10,000 for each 30-day period (or fraction thereof) during which such failure continues after the expiration of such 90-day period. At such time as the gross reportable amount with respect to any failure can be determined by the Secretary, any subsequent penalty imposed under this subsection with respect to such failure shall be reduced as necessary to assure that the aggregate amount of such penalties do not exceed the gross reportable amount (and to the extent that such aggregate amount already exceeds the gross reportable amount the Secretary shall refund such excess to the taxpayer).