

with respect to which there was such a failure,

(2) the \$10,000 limitation of subsection (a) shall not apply to any penalty under subsection (a) for the day on which such failure occurred, and

(3) such penalty shall not be taken into account in applying such limitation to other penalties under subsection (a).

**(d) Day on which failure occurs**

For purposes of this section, any failure to meet the requirement of section 6113 with respect to a solicitation—

(1) by television or radio, shall be treated as occurring when the solicitation was telecast or broadcast,

(2) by mail, shall be treated as occurring when the solicitation was mailed,

(3) not by mail but in written or printed form, shall be treated as occurring when the solicitation was distributed, or

(4) by telephone, shall be treated as occurring when the solicitation was made.

(Added Pub. L. 100-203, title X, §10701(b), Dec. 22, 1987, 101 Stat. 1330-458.)

EFFECTIVE DATE

Section applicable to solicitations after Jan. 31, 1988, see section 10701(d) of Pub. L. 100-203, set out as a note under section 6113 of this title.

**§ 6711. Failure by tax-exempt organization to disclose that certain information or service available from Federal Government**

**(a) Imposition of penalty**

If—

(1) a tax-exempt organization offers to sell (or solicits money for) specific information or a routine service for any individual which could be readily obtained by such individual free of charge (or for a nominal charge) from an agency of the Federal Government,

(2) the tax-exempt organization, when making such offer or solicitation, fails to make an express statement (in a conspicuous and easily recognizable format) that the information or service can be so obtained, and

(3) such failure is due to intentional disregard of the requirements of this subsection,

such organization shall pay a penalty determined under subsection (b) for each day on which such a failure occurred.

**(b) Amount of penalty**

The penalty under subsection (a) for any day on which a failure referred to in such subsection occurred shall be the greater of—

(1) \$1,000, or

(2) 50 percent of the aggregate cost of the offers and solicitations referred to in subsection (a)(1) which occurred on such day and with respect to which there was such a failure.

**(c) Definitions**

For purposes of this section—

**(1) Tax-exempt organization**

The term “tax-exempt organization” means any organization which—

(A) is described in subsection (c) or (d) of section 501 and exempt from taxation under section 501(a), or

(B) is a political organization (as defined in section 527(e)).

**(2) Day on which failure occurs**

The day on which any failure referred to in subsection (a) occurs shall be determined under rules similar to the rules of section 6710(d).

(Added Pub. L. 100-203, title X, §10705(a), Dec. 22, 1987, 101 Stat. 1330-463.)

EFFECTIVE DATE

Pub. L. 100-203, title X, §10705(c), Dec. 22, 1987, 101 Stat. 1330-464, provided that: “The amendments made by this section [enacting this section] shall apply to offers and solicitations after January 31, 1988.”

**§ 6712. Failure to disclose treaty-based return positions**

**(a) General rule**

If a taxpayer fails to meet the requirements of section 6114, there is hereby imposed a penalty equal to \$1,000 (\$10,000 in the case of a C corporation) on each such failure.

**(b) Authority to waive**

The Secretary may waive all or any part of the penalty provided by this section on a showing by the taxpayer that there was reasonable cause for the failure and that the taxpayer acted in good faith.

**(c) Penalty in addition to other penalties**

The penalty imposed by this section shall be in addition to any other penalty imposed by law.

(Added Pub. L. 100-647, title I, §1012(aa)(5)(B), Nov. 10, 1988, 102 Stat. 3532.)

CODIFICATION

Another section 6712 was renumbered section 6713 of this title.

EFFECTIVE DATE

Section applicable to taxable periods the due date for filing returns for which (without extension) occurs after Dec. 31, 1988, see section 1012(aa)(5)(D) of Pub. L. 100-647, set out as a note under section 6114 of this title.

**§ 6713. Disclosure or use of information by preparers of returns**

**(a) Imposition of penalty**

If any person who is engaged in the business of preparing, or providing services in connection with the preparation of, returns of tax imposed by chapter 1, or any person who for compensation prepares any such return for any other person, and who—

(1) discloses any information furnished to him for, or in connection with, the preparation of any such return, or

(2) uses any such information for any purpose other than to prepare, or assist in preparing, any such return,

shall pay a penalty of \$250 for each such disclosure or use, but the total amount imposed under this subsection on such a person for any calendar year shall not exceed \$10,000.

**(b) Exceptions**

The rules of section 7216(b) shall apply for purposes of this section.