

filed in accordance with regulations prescribed by the Secretary.

(d) Periods of limitation

(1) Assessment

The amount of any penalty under section 6694(a), section² 6695, or 6695A shall be assessed within 3 years after the return or claim for refund with respect to which the penalty is assessed was filed, and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period. In the case of any penalty under section 6694(b), the penalty may be assessed, or a proceeding in court for the collection of the penalty may be begun without assessment, at any time.

(2) Claim for refund

Except as provided in section 6694(d), any claim for refund of an overpayment of any penalty assessed under section 6694, 6695, or 6695A shall be filed within 3 years from the time the penalty was paid.

(e) Definitions

For purposes of sections 6694, 6695, and 6695A—

(1) Return

The term “return” means any return of any tax imposed by this title.

(2) Claim for refund

The term “claim for refund” means a claim for refund of, or credit against, any tax imposed by this title.

(Added Pub. L. 94-455, title XII, §1203(f), Oct. 4, 1976, 90 Stat. 1693; amended Pub. L. 109-280, title XII, §1219(b)(2), Aug. 17, 2006, 120 Stat. 1084; Pub. L. 110-28, title VIII, §8246(a)(2)(H), May 25, 2007, 121 Stat. 202; Pub. L. 110-172, §3(e)(2), Dec. 29, 2007, 121 Stat. 2474.)

CODIFICATION

Section 1219(b)(2) of Pub. L. 109-280, which directed the amendment of section 6696 without specifying the act to be amended, was executed to this section, which is section 6696 of the Internal Revenue Code of 1986, to reflect the probable intent of Congress. See 2006 Amendment note below.

AMENDMENTS

2007—Subsec. (d)(1). Pub. L. 110-172 substituted “, section 6695, or 6695A” for “or under section 6695”.

Subsec. (e). Pub. L. 110-28 substituted “this title” for “subtitle A” in pars. (1) and (2).

2006—Pub. L. 109-280 substituted “6694, 6695, and 6695A” for “6694 and 6695” wherever appearing in section catchline and text and “6694, 6695, or 6695A” for “6694 or 6695” wherever appearing in text. See Codification note above.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110-172 effective as if included in the provisions of the Pension Protection Act of 2006, Pub. L. 109-280, to which such amendment relates, see section 3(j) of Pub. L. 110-172, set out as a note under section 170 of this title.

Amendment by Pub. L. 110-28 applicable to returns prepared after May 25, 2007, see section 8246(c) of Pub. L. 110-28, set out as a note under section 6060 of this title.

²So in original. The word “section” probably should not appear.

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-280 applicable to appraisals prepared with respect to returns or submissions filed after Aug. 17, 2006, with special rule for certain easements, see section 1219(e)(2), (3) of Pub. L. 109-280, set out as a note under section 170 of this title.

[§ 6697. Repealed. Pub. L. 111-325, title V, § 501(a), Dec. 22, 2010, 124 Stat. 3554]

Section, added Pub. L. 94-455, title XVI, §1601(b)(1), Oct. 4, 1976, 90 Stat. 1745; amended Pub. L. 95-600, title III, §362(b), Nov. 6, 1978, 92 Stat. 2851; Pub. L. 99-514, title VI, §667(a), Oct. 22, 1986, 100 Stat. 2305, related to assessable penalties with respect to liability for tax of regulated investment companies.

EFFECTIVE DATE OF REPEAL

Repeal applicable to taxable years beginning after Dec. 22, 2010, see section 501(c) of Pub. L. 111-325, set out as an Effective Date of 2010 Amendment note under section 860 of this title.

§ 6698. Failure to file partnership return

(a) General rule

In addition to the penalty imposed by section 7203 (relating to willful failure to file return, supply information, or pay tax), if any partnership required to file a return under section 6031 for any taxable year—

(1) fails to file such return at the time prescribed therefor (determined with regard to any extension of time for filing), or

(2) files a return which fails to show the information required under section 6031,

such partnership shall be liable for a penalty determined under subsection (b) for each month (or fraction thereof) during which such failure continues (but not to exceed 12 months), unless it is shown that such failure is due to reasonable cause.

(b) Amount per month

For purposes of subsection (a), the amount determined under this subsection for any month is the product of—

(1) \$195, multiplied by

(2) the number of persons who were partners in the partnership during any part of the taxable year¹

(c) Assessment of penalty

The penalty imposed by subsection (a) shall be assessed against the partnership.

(d) Deficiency procedures not to apply

Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).

(e) Adjustment for inflation

(1) In general

In the case of any return required to be filed in a calendar year beginning after 2014, the \$195 dollar amount under subsection (b)(1) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting “calendar year 2013” for “calendar year 1992” in subparagraph (B) thereof.

¹So in original. Probably should be followed by a period.

(2) Rounding

If any amount adjusted under paragraph (1) is not a multiple of \$5, such amount shall be rounded to the next lowest multiple of \$5.

(Added Pub. L. 95-600, title II, §211(a), Nov. 6, 1978, 92 Stat. 2817; amended Pub. L. 110-142, §8(a), (b), Dec. 20, 2007, 121 Stat. 1806; Pub. L. 110-458, title I, §127(a), Dec. 23, 2008, 122 Stat. 5116; Pub. L. 111-92, §16(a), Nov. 6, 2009, 123 Stat. 2996; Pub. L. 113-295, div. B, title II, §208(d), Dec. 19, 2014, 128 Stat. 4073.)

INFLATION ADJUSTED ITEMS FOR CERTAIN YEARS

For inflation adjustment of certain items in this section, see Revenue Procedures listed in a table under section 1 of this title.

CODIFICATION

Another section 6698, formerly section 6694, relating to failure to file information with respect to carryover basis property, which was added by Pub. L. 94-455, §2005(d)(2), was renumbered section 6698 by Pub. L. 95-600, renumbered section 6698A by Pub. L. 96-222, and repealed by Pub. L. 96-223.

AMENDMENTS

2014—Subsec. (e). Pub. L. 113-295 added subsec. (e).
 2009—Subsec. (b)(1). Pub. L. 111-92 substituted “\$195” for “\$89”.
 2008—Subsec. (b)(1). Pub. L. 110-458 substituted “\$89” for “\$85”.
 2007—Subsec. (a). Pub. L. 110-142, §8(a), substituted “12 months” for “5 months” in concluding provisions.
 Subsec. (b)(1). Pub. L. 110-142, §8(b), substituted “\$85” for “\$50”.

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113-295 applicable to returns required to be filed after Dec. 31, 2014, see section 208(h) of Pub. L. 113-295, set out as a note under section 6651 of this title.

EFFECTIVE DATE OF 2009 AMENDMENT

Pub. L. 111-92, §16(b), Nov. 6, 2009, 123 Stat. 2996, provided that: “The amendments made by this section [amending this section and section 6699 of this title] shall apply to returns for taxable years beginning after December 31, 2009.”

EFFECTIVE DATE OF 2008 AMENDMENT

Pub. L. 110-458, title I, §127(b), Dec. 23, 2008, 122 Stat. 5116, provided that: “The amendment made by subsection (a) [amending this section] shall apply to returns required to be filed after December 31, 2008.”

EFFECTIVE DATE OF 2007 AMENDMENT

Pub. L. 110-142, §8(d), Dec. 20, 2007, 121 Stat. 1807, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall apply to returns required to be filed after the date of the enactment of this Act [Dec. 20, 2007].”

EFFECTIVE DATE

Pub. L. 95-600, title II, §211(c), Nov. 6, 1978, 92 Stat. 2818, provided that: “The amendments made by this section [enacting this section] shall apply with respect to returns for taxable years beginning after December 31, 1978.”

MODIFICATION OF PENALTY FOR FAILURE TO FILE PARTNERSHIP RETURNS

Pub. L. 110-141, §2, Dec. 19, 2007, 121 Stat. 1802, provided that: “For any return of a partnership required to be filed under section 6031 of the Internal Revenue Code of 1986 for a taxable year beginning in 2008, the dollar

amount in effect under section 6698(b)(1) of such Code shall be increased by \$1.”

[§ 6698A. Repealed. Pub. L. 96-223, title IV, § 401(a), Apr. 2, 1980, 94 Stat. 299]

Section, added Pub. L. 94-455, title XX, §2005(d)(2), Oct. 4, 1976, 90 Stat. 1878, §6694; renumbered §6698 and amended Pub. L. 95-600, title VII, §702(r)(1)(A), (B), Nov. 6, 1978, 92 Stat. 2938; renumbered §6698A, Pub. L. 96-222, title I, §107(a)(2)(D), Apr. 1, 1980, 94 Stat. 223, related to failure of an executor to file information with respect to carryover basis property. Repeal was achieved by repealing section 2005(d)(2) of Pub. L. 94-455 and section 702(r)(1)(A), (B) of Pub. L. 95-600 and the amendments made by those sections.

EFFECTIVE DATE OF REPEAL AND REVIVAL OF PRIOR LAW

Repeal applicable in respect of decedents dying after Dec. 31, 1976, and, except for certain elections, this title to be applied and administered as if this section had not been enacted, see section 401(b), (e) of Pub. L. 96-223, set out as an Effective Date of 1980 Amendment and Revival of Prior Law note under section 1023 of this title.

§ 6699. Failure to file S corporation return**(a) General rule**

In addition to the penalty imposed by section 7203 (relating to willful failure to file return, supply information, or pay tax), if any S corporation required to file a return under section 6037 for any taxable year—

(1) fails to file such return at the time prescribed therefor (determined with regard to any extension of time for filing), or

(2) files a return which fails to show the information required under section 6037,

such S corporation shall be liable for a penalty determined under subsection (b) for each month (or fraction thereof) during which such failure continues (but not to exceed 12 months), unless it is shown that such failure is due to reasonable cause.

(b) Amount per month

For purposes of subsection (a), the amount determined under this subsection for any month is the product of—

(1) \$195, multiplied by

(2) the number of persons who were shareholders in the S corporation during any part of the taxable year.

(c) Assessment of penalty

The penalty imposed by subsection (a) shall be assessed against the S corporation.

(d) Deficiency procedures not to apply

Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).

(e) Adjustment for inflation**(1) In general**

In the case of any return required to be filed in a calendar year beginning after 2014, the \$195 dollar amount under subsection (b)(1) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by sub-