

Editorial Notes

AMENDMENTS

2018—Subsec. (c)(3)(A). Pub. L. 115-141, §101(f)(1)(B), substituted “furnished” for “filed” in concluding provisions.

Subsec. (c)(3)(A)(iii). Pub. L. 115-141, §101(f)(1)(A), substituted “the payee statement” for “any information return”.

Subsec. (f)(1). Pub. L. 115-141, §401(a)(299)(G), inserted “an amount equal to” after “increased by” and “for the calendar year” after “section 1(f)(3)”.

2017—Subsec. (f)(1). Pub. L. 115-97 substituted “for ‘calendar year 2016’ in subparagraph (A)(ii)” for “for ‘calendar year 1992’ in subparagraph (B)”.

2015—Subsec. (a)(1). Pub. L. 114-27, §806(e)(1), substituted “\$250” for “\$100” and “\$3,000,000” for “\$1,500,000”.

Subsec. (b)(1)(A). Pub. L. 114-27, §806(e)(2)(A)(i), (ii), substituted “\$50” for “\$30” and “\$250” for “\$100”.

Subsec. (b)(1)(B). Pub. L. 114-27, §806(e)(2)(A)(iii), substituted “\$500,000” for “\$250,000”.

Subsec. (b)(2)(A). Pub. L. 114-27, §806(e)(2)(B)(i), (ii), substituted “\$100” for “\$60” and “\$250” for “\$100”.

Subsec. (b)(2)(B). Pub. L. 114-27, §806(e)(2)(B)(iii), substituted “\$1,500,000” for “\$500,000”.

Subsec. (c)(3). Pub. L. 114-113 added par. (3).

Subsec. (d)(1)(A). Pub. L. 114-27, §806(e)(3)(A), substituted “\$1,000,000” for “\$500,000” and “\$3,000,000” for “\$1,500,000”.

Subsec. (d)(1)(B). Pub. L. 114-27, §806(e)(3)(B), substituted “\$175,000” for “\$75,000” and “\$500,000” for “\$250,000”.

Subsec. (d)(1)(C). Pub. L. 114-27, §806(e)(3)(C), substituted “\$500,000” for “\$200,000” and “\$1,500,000” for “\$500,000”.

Subsec. (e)(2). Pub. L. 114-27, §806(e)(4)(A), substituted “\$500” for “\$250” in introductory provisions.

Subsec. (e)(3)(A). Pub. L. 114-27, §806(e)(4)(B), substituted “\$3,000,000” for “\$1,500,000”.

2014—Subsecs. (b)(1), (2), (c)(1)(C). Pub. L. 113-295, §207(a)(2), substituted “the date prescribed for furnishing such statement” for “the required filing date”.

Subsec. (c)(2)(B). Pub. L. 113-295, §207(a)(3), substituted “furnished” for “filed”.

Subsec. (f)(1). Pub. L. 113-295, §208(g), substituted “In the case of any failure relating to a statement required to be furnished in a calendar year beginning after 2014” for “For each fifth calendar year beginning after 2012”.

2010—Pub. L. 111-240 amended section generally. Prior to amendment, section related to: in subsec. (a), general rule for imposition of penalty for failure to furnish correct payee statements; in subsec. (b), failures subject to penalty; and, in subsec. (c), penalty in case of intentional disregard.

1989—Pub. L. 101-239 substituted “correct” for “certain” in section catchline and amended text generally, substituting subsecs. (a) to (c) for former subsec. (a) stating general rule and subsec. (b) relating to failure to notify partnership of exchange of partnership interest.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 101(f)(1) of Pub. L. 115-141 effective as if included in the provision of the Protecting Americans from Tax Hikes Act of 2015, div. Q of Pub. L. 114-113, to which such amendment relates, see section 101(s) of Pub. L. 115-141, set out as a note under section 24 of this title.

EFFECTIVE DATE OF 2017 AMENDMENT

Amendment by Pub. L. 115-97 applicable to taxable years beginning after Dec. 31, 2017, see section 11002(e) of Pub. L. 115-97, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-113 applicable to returns required to be filed, and payee statements required to

be provided, after Dec. 31, 2016, see section 202(e) of Pub. L. 114-113, set out as a note under section 6045 of this title.

Amendment by Pub. L. 114-27 applicable with respect to returns and statements required to be filed after Dec. 31, 2015, see section 806(f) of Pub. L. 114-27, set out as a note under section 6721 of this title.

EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113-295, div. A, title II, §207(b), Dec. 19, 2014, 128 Stat. 4028, provided that: “The amendments made by this section [amending this section and provisions set out as a note under section 6721 of this title] shall take effect as if included in the provision of the Creating Small Business Jobs Act of 2010 [Pub. L. 111-240, title II] to which they relate.”

Amendment by section 208(g) of Pub. L. 113-295 applicable to returns required to be filed, and statements required to be furnished, 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 2010 AMENDMENT

Amendment by Pub. L. 111-240 applicable with respect to information returns required to be filed, and payee statements required to be furnished, on or after Jan. 1, 2011, see section 2102(h) of Pub. L. 111-240, set out as a note under section 6721 of this title.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 101-239 applicable to returns and statements the due date for which (determined without regard to extensions) is after Dec. 31, 1989, see section 7711(c) of Pub. L. 101-239, set out as a note under section 6721 of this title.

EFFECTIVE DATE

Section applicable to returns the due date for which (determined without regard to extensions) is after Dec. 31, 1986, see section 1501(e) of Pub. L. 99-514, set out as a note under section 6721 of this title.

§ 6723. Failure to comply with other information reporting requirements

In the case of a failure by any person to comply with a specified information reporting requirement on or before the time prescribed therefor, such person shall pay a penalty of \$50 for each such failure, but the total amount imposed on such person for all such failures during any calendar year shall not exceed \$100,000.

(Added Pub. L. 99-514, title XV, §1501(a), Oct. 22, 1986, 100 Stat. 2733; amended Pub. L. 101-239, title VII, §7711(a), Dec. 19, 1989, 103 Stat. 2390.)

Editorial Notes

AMENDMENTS

1989—Pub. L. 101-239 substituted “comply with other information reporting requirements” for “include correct information” in section catchline and amended text generally, substituting a single par. for former subsec. (a) stating general rule, subsec. (b) relating to penalty in case of intentional disregard, and subsec. (c) relating to coordination with former section 6676 of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 101-239 applicable to returns and statements the due date for which (determined without regard to extensions) is after Dec. 31, 1989, see section 7711(c) of Pub. L. 101-239, set out as a note under section 6721 of this title.

EFFECTIVE DATE

Section applicable to returns the due date for which (determined without regard to extensions) is after Dec. 31, 1986, see section 1501(e) of Pub. L. 99-514, set out as a note under section 6721 of this title.

§ 6724. Waiver; definitions and special rules**(a) Reasonable cause waiver**

No penalty shall be imposed under this part with respect to any failure if it is shown that such failure is due to reasonable cause and not to willful neglect.

(b) Payment of penalty

Any penalty imposed by this part shall be paid on notice and demand by the Secretary and in the same manner as tax.

(c) Special rule for failure to meet magnetic media requirements

No penalty shall be imposed under section 6721 solely by reason of any failure to comply with the requirements of the regulations prescribed under section 6011(e)(2), except to the extent that such a failure occurs with respect to more than the applicable number (determined under section 6011(e)(5) with respect to the calendar year to which such returns relate) of information returns or with respect to a return described in section 6011(e)(4).

(d) Definitions

For purposes of this part—

(1) Information return

The term “information return” means—

(A) any statement of the amount of payments to another person required by—

(i) section 6041(a) or (b) (relating to certain information at source),

(ii) section 6042(a)(1) (relating to payments of dividends),

(iii) section 6044(a)(1) (relating to payments of patronage dividends),

(iv) section 6049(a) (relating to payments of interest),

(v) section 6050A(a) (relating to reporting requirements of certain fishing boat operators),

(vi) section 6050N(a) (relating to payments of royalties),

(vii) section 6051(d) (relating to information returns with respect to income tax withheld),

(viii) section 6050R (relating to returns relating to certain purchases of fish), or

(ix) section 110(d) (relating to qualified lessee construction allowances for short-term leases),

(B) any return required by—

(i) section 6041A(a) or (b) (relating to returns of direct sellers),

(ii) section 6043A(a) (relating to returns relating to taxable mergers and acquisitions),

(iii) section 6045(a) or (d) (relating to returns of brokers),

(iv) section 6045B(a) (relating to returns relating to actions affecting basis of specified securities),

(v) section 6050H(a) or (h)(1) (relating to mortgage interest received in trade or business from individuals),

(vi) section 6050I(a) or (g)(1) (relating to cash received in trade or business, etc.),

(vii) section 6050J(a) (relating to foreclosures and abandonments of security),

(viii) section 6050K(a) (relating to exchanges of certain partnership interests),

(ix) section 6050L(a) (relating to returns relating to certain dispositions of donated property),

(x) section 6050P (relating to returns relating to the cancellation of indebtedness by certain financial entities),

(xi) section 6050Q (relating to certain long-term care benefits),

(xii) section 6050S (relating to returns relating to payments for qualified tuition and related expenses),

(xiii) section 6050T (relating to returns relating to credit for health insurance costs of eligible individuals),

(xiv) section 6052(a) (relating to reporting payment of wages in the form of group-life insurance),

(xv) section 6050V (relating to returns relating to applicable insurance contracts in which certain exempt organizations hold interests),

(xvi) section 6053(c)(1) (relating to reporting with respect to certain tips),

(xvii) subsection (b) or (e) of section 1060 (relating to reporting requirements of transferors and transferees in certain asset acquisitions),

(xviii) section 4101(d) (relating to information reporting with respect to fuels taxes),

(xix) subparagraph (C) of section 338(h)(10) (relating to information required to be furnished to the Secretary in case of elective recognition of gain or loss),

(xx) section 264(f)(5)(A)(iv) (relating to reporting with respect to certain life insurance and annuity contracts),

(xxi) section 6050U (relating to charges or payments for qualified long-term care insurance contracts under combined arrangements),

(xxii) section 6039(a) (relating to returns required with respect to certain options),

(xxiii) section 6050W (relating to returns to payments made in settlement of payment card transactions),

(xxiv) section 6055 (relating to returns relating to information regarding health insurance coverage),

(xxv) section 6056 (relating to returns relating to certain employers required to report on health insurance coverage), or

(xxvi) section 6050Y (relating to returns relating to certain life insurance contract transactions), and¹

(C) any statement of the amount of payments to another person required to be made to the Secretary under—

(i) section 408(i) (relating to reports with respect to individual retirement accounts or annuities), or

(ii) section 6047(d) (relating to reports by employers, plan administrators, etc.), and

¹ So in original. The word “and” probably should not appear.