

**Income Tax Act 1961 s 271C - Penalty for failure to deduct tax at source**

**(1) If any person fails to—**

**(a) deduct the whole or any part of the tax as required by or under the provisions of Chapter XVII-B; or**

**(b) pay the whole or any part of the tax as required by or under—**

**(i) sub-section (2) of section 115-O; or**

**(ii) the second proviso to section 194B, then, such person shall be liable to pay, by way of penalty, a sum equal to the amount of tax which such person failed to deduct or pay as aforesaid.**

**(2) Any penalty imposable under sub-section (1) shall be imposed by the Joint Commissioner.**