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**Income Tax Act 1961 s 271FAA - Penalty for  
furnishing inaccurate statement of financial  
transaction or reportable account**

**If a person referred to in sub-section (1) of section 285BA, who is required to furnish a statement under that section, provides inaccurate information in the statement, and where—**

**(a) the inaccuracy is due to a failure to comply with the due diligence requirement prescribed under sub-section (7) of section 285BA or is deliberate on the part of that person; or**

**(b) the person knows of the inaccuracy at the time of furnishing the statement of financial transaction or reportable account, but does not inform the prescribed income-tax authority or such other authority or agency; or**

**(c) the person discovers the inaccuracy after the statement of financial transaction or reportable account is furnished and fails to inform and furnish correct information within the time specified under sub-section (6) of section 285BA. then, the prescribed income-tax authority may direct that such person shall pay, by way of penalty, a sum of fifty thousand rupees.**