

New York State Department of Taxation and Finance
Taxpayer Services Division
Technical Services Bureau

TSB-M-83-(17)-I (Rev)
Income Tax
January 12, 1984

This memorandum supercedes TSB-M-83-(17)-I,
which should be destroyed.

1983 Legislation
Penalty Changes

Failure to File Information Returns

Chapter 15 of the Laws of 1983 amended section 685(h) to increase the penalty for failure to file certain information returns (required by section 658(d)) and duplicate statements of taxes withheld, from \$1.00 for each statement to \$50.00 for each statement. The maximum penalty for any calendar year has been increased from \$1,000 to \$50,000. If there is one or more failures due to intentional disregard of the filing requirements the \$50,000 maximum will not apply and the penalty will be an amount equal to 10 percent of the aggregate amount of the items required to be reported on the information returns.

This amendment is effective for the filing of returns or statements where the due date is after 12/31/83 (determined without regard to extensions). See note below.

Failure to Supply Identifying Numbers

Chapter 15 of the Laws of 1983 amended section 685(k) to increase the penalty for certain failure to supply identifying numbers. The penalties as a result of this amendment are as follows:

1. \$5.00 for each failure by a persons to include his identifying number in any return, statement, or other document.
2. \$50.00 for each failure by a person to furnish his identifying number to another person who is making a return statement, or other document requiring his identification.
3. \$50.00 for each failure to include the identifying number of another person in a return, statement, or other document.

The total penalty for any calendar year may not exceed \$50,000. The amendments apply to returns, statements, or other documents due after 12/31/83 (determined without regard to extensions). See note below.

Cross References: See TSB-M-83-(18)-I(Rev) for the Penalty for Substantial Understatements.

NOTE:

Due to the repeal of Internal Revenue Code section 3451, on August 5, 1983, the above increases have not become effective.