Finance (No. 2) Act, 2004

Section 105 - Penalty for Failure to Collect or Pay Securities Transaction Tax

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Any assessee who--

(a) fails to collect the whole or any part of the securities transaction tax as required under section 100; or

(b) having collected the securities transaction tax, fails to pay such tax to the credit of the Central Government in accordance with the provisions of sub-section (3) of that section, shall be liable to pay,--

(i) in the case referred to in clause (a), in addition to paying the tax in accordance with the provisions of sub-section (4) of that section, or interest, if any, in accordance with the provisions of section 104, by way of a penalty, a sum equal to the amount of securities transaction tax that he failed to collect; and

(ii) in the case referred to in clause (b), in addition to paying the tax in accordance with the provisions of sub-section (3) of that section and interest in accordance with the provisions of section 104, by way of penalty, a sum of one thousand rupees for every day during which the failure continues, so, however, that the penalty under this clause shall not exceed the amount of securities transaction tax that it failed to pay.
