

## CHAPTER VII

### OFFENCES AND PENALTIES

**40. False statement in declaration.** If any person makes a statement in verification mentioned in section 19, 24, 26 or 27 which is false and which he either knows or believes to be false, or does not believe to be true, he shall be deemed to have committed the offence described in section 177 of the Indian Penal Code (XLV of 1860).

**41. Failure to furnish return or to supply information.** If any person falls, without reasonable cause or excuse, to furnish in due time any of the returns mentioned in section 19 or section 34, he shall be punishable with fine which may extend to five rupees for every day during which the default continues.

**42. Prosecution to be at the instance of the Assistant Commissioner.** (1) A person shall not be proceeded against for an offence under section 40 or 41 except at the instance of the deputy Commissioner of Taxes, or when there is no Deputy Commissioner of Taxes the Assistant Commissioner of Taxes empowered by the Commissioner of Taxes, in this behalf.

- (2) Before instituting proceedings against any person under sub section (1) the Deputy Commissioner of Taxes, or when there is no Deputy Commissioner of Taxes, the Assistant commissioner of Taxes empowered by the Commissioner Taxes in this behalf, shall call upon such person to show cause why proceeding should not be instituted against
- (3) The Deputy Commissioner of Taxes, or when there is no Deputy Commissioner of Taxes, the Assistant Commissioner of Taxes empowered by the Commissioner of Taxes in this behalf, may stay any such proceedings or compound any offence.