

Internal Revenue Code Section 6039F(c)(1)(B)

Notice of large gifts received from foreign persons


...

(c) Penalty for failure to file information.

(1) In general.

If a United States person fails to furnish the information required by subsection (a) with respect to any foreign gift within the time prescribed therefor (including extensions)-

(A) the tax consequences of the receipt of such gift shall be determined by the Secretary, and

 (B) such United States person shall pay (upon notice and demand by the Secretary and in the same manner as tax) an amount equal to 5 percent of the amount of such foreign gift for each month for which the failure continues (not to exceed 25 percent of such amount in the aggregate).

(2) Reasonable cause exception.

Paragraph (1) shall not apply to any failure to report a foreign gift if the United States person shows that the failure is due to reasonable cause and not due to willful neglect.

...