

# 26 U.S. Code § 6039F - Notice of large gifts received from foreign persons

## **(a) In general**

If the value of the aggregate [foreign gifts](#) received by a United States person (other than an organization described in section 501(c) and exempt from tax under section 501(a)) during any taxable year exceeds \$10,000, such United States person shall furnish (at such time and in such manner as the Secretary shall prescribe) such information as the Secretary may prescribe regarding each [foreign gift](#) received during such year.

## **(b) Foreign gift**

For purposes of this section, the term “[foreign gift](#)” means any amount received from a person other than a United States person which the recipient treats as a gift or bequest. Such term shall not include any qualified transfer (within the meaning of [section 2503\(e\)\(2\)](#)) or any distribution properly disclosed in a return under section 6048(c).

## **(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)

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**(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.

**(d) Cost-of-living adjustment**

In the case of any taxable year beginning after December 31, 1996, the \$10,000 amount under subsection (a) shall be increased by an amount equal to the product of such amount and the cost-of-living adjustment for such taxable year under section 1(f)(3), except that subparagraph (A)(ii) thereof shall be applied by substituting “1995” for “2016”.

**(e) Regulations**

The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

(Added [Pub. L. 104-188, title I, § 1905\(a\)](#), Aug. 20, 1996, [110 Stat. 1913](#); amended [Pub. L. 115-97, title I, § 11002\(d\)\(13\)](#), Dec. 22, 2017, [131 Stat. 2062](#).)