

## Section 304.

(last updated 1/19/2023)

**Title:** Updating dollar limit for mandatory distributions

**Effective Date:** Effective for distributions after December 31, 2023.

**Mandatory or Optional:** Optional

**Plans Affected:** All

**Previous Law:** Under current law, employers may immediately distribute without the consent of the participant and directly rollover former employees' retirement accounts from a workplace retirement plan into an IRA if their balances are no more than \$5,000

**SECURE 2.0 Law:** Increases the involuntary cash-out limit to \$7,000 from \$5,000.

**Guidance and/or Correction Bills:**

- None