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IRS ISSUES LIMITED GUIDANCE ON UNCASHED RETIREMENT CHECKS

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[Rev. Rul. 2019-19](#) provides limited guidance on the tax implications of a retirement plan participant's failure to cash a distribution check by the end of the taxable year in which the check was sent. The IRS ruling covers only a distribution from a noncontributory, non-Roth qualified retirement plan (defined benefit or defined contribution) to a participant who hasn't made a withholding election. The ruling concludes the participant must include the distribution in gross income for the year of the distribution, and the employer's withholding and reporting obligations are unaltered by the participant's failure to cash the check.

The ruling notes that Treasury and IRS are still considering other issues related to uncashed checks from qualified plans, including distributions to missing participants.

RELATED RESOURCES

- [Rev. Rul. 2019-19](#) (IRS, Aug. 14, 2019)

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