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## [Raising the Limit: FINRA Amends Gift Rule \(Rule 3220\) - Skadden](#)

In February 2026, the Securities and Exchange Commission (SEC) approved and the Financial Industry Regulatory Authority (FINRA) adopted amendments to FINRA Rule 3220 (Influencing of Rewarding Employees or Others), to (i) increase the gift limit, (ii) incorporate and codify certain existing FINRA guidance and interpretations, (iii) alter FINRA's approach to valuing certain gifts and (iv) create a mechanism for FINRA to provide exemptive relief. The amended rule becomes effective March 30, 2026.

The amended rule and rulemaking do not disturb the long-standing FINRA guidance that ordinary and usual business entertainment in the presence of an employee of the broker-dealer (such as an occasional meal, sporting event, theater production or comparable entertainment event) is not subject to the gift limit and is permissible, provided that the entertainment "is neither so frequent nor so extensive as to raise any question of propriety."<sup>1</sup> The rule previously imposed a \$100-per-year limit on gifts that a FINRA registered broker-dealer (or its associated persons) could provide to an individual in relation to the broker-dealer's business with that individual's employer. Key changes under the amendments are:

- **An increased gift limit to \$300.** The annual gift limit has increased from \$100 to \$300 per person, per year, to reflect inflation. While gifts given incidental to a business entertainment event are subject to the \$300 gift limit, unless exempt (as described below), the cost of the business entertainment event itself is not included in the value of the gift.

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