



DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-117270-25]

RIN 1545-BR91

Trump Accounts

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations relating to Trump accounts.

The proposed regulations provide guidance on making an election to open a Trump account and reserve additional sections for further guidance on Trump accounts. The proposed regulations would affect children eligible to have a Trump account, individuals who would make elections with respect to those children, and trustees of Trump accounts.

DATES: Written or electronic comments and requests for a public hearing must be received by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Commenters are strongly encouraged to submit public comments electronically via the Federal eRulemaking Portal at <https://www.regulations.gov> (indicate IRS and REG-117270-25) by following the online instructions for submitting comments. Requests for a public hearing must be submitted as prescribed in the “Comments and Requests for a Public Hearing” section. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury (Treasury Department) and the IRS will publish for public availability any comments submitted to the IRS’s public docket on www.regulations.gov. Send paper

submissions to: CC:PA:01:PR (REG-117270-25), room 5503, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulation, Neil Sandhu at (804) 916-3775; concerning submissions of comments or a public hearing, the Publications and Regulations Section at (202) 317-6091 (not toll-free numbers) or by email at publichearings@irs.gov (preferred).

SUPPLEMENTARY INFORMATION:

Authority

This document contains proposed amendments to the Income Tax Regulations (26 CFR part 1) to implement section 530A of the Internal Revenue Code (Code).

Section 530A(a) authorizes the Secretary¹ to prescribe special rules for when a Trump account is not treated in the same manner as an individual retirement account (IRA) under section 408(a). Section 530A(b)(1)(A)(i) provides that an individual's first Trump account (initial Trump account) is to be "created or organized by the Secretary."

Section 530A(b)(1)(B) provides that a Trump account must be "designated (in such manner as the Secretary shall prescribe)" at the time of its establishment as a Trump account. Section 530A(b)(2)(C) authorizes the Secretary to prescribe rules regarding the time and manner for making elections to establish a Trump account. Section 408(a)(2) authorizes the Secretary to approve nonbank trustees for an IRA. Section 7805(a) authorizes the Secretary to "prescribe all needful rules and regulations for the enforcement of [the Code], including all rules and regulations as may be necessary by reason of any alteration of law in relation to internal revenue."

Background

¹ Section 7701(a)(11)(B) provides that the term "Secretary" means the Secretary of the Treasury or his delegate. Section 7701(a)(12)(A)(i) defines delegate to include any agency of the Treasury Department, which includes the IRS.

Section 70204 of Public Law 119-21, 139 Stat. 72 (July 4, 2025), commonly referred to as the One, Big, Beautiful Bill Act, added new sections 530A, 128, and 6434 to the Code. Section 530A provides for the establishment of a Trump account for an eligible individual.

A Trump account is a type of traditional IRA established for the exclusive benefit of an eligible individual or such eligible individual's beneficiaries under section 530A. The Secretary will create or organize the initial Trump account for each eligible individual. An eligible individual is any individual (i) who has not attained age 18 before the close of the calendar year in which an election to open an initial Trump account is made, (ii) for whom a social security number (within the meaning of section 24(h)(7)) has been issued before the date on which the election is made, and (iii) for whom the election is made. After an initial Trump account has been established, a subsequent Trump account (rollover Trump account) may be established for the account beneficiary during the period that begins when such initial Trump account is established and that ends on December 31st of the calendar year in which the account beneficiary² of the initial Trump account attains age 17 (growth period). The rollover Trump account must be funded by a qualified rollover contribution, which is a trustee-to-trustee transfer of the entire account balance from the account beneficiary's existing Trump account.³

A Trump account is subject to certain special rules inapplicable to other traditional IRAs. The special rules that apply only during the growth period include rules regarding contributions, investments, distributions, and reporting. After the growth period, most of the special rules no longer apply and the rules under section 408 governing traditional IRAs generally apply. Proposed regulations regarding the special

² After an initial Trump account has been opened for an eligible individual, the individual is referred to as the account beneficiary.

³ A Trump account qualified rollover contribution under section 530A(e) may be made only during an account beneficiary's growth period and is different from and unrelated to a qualified rollover contribution for a Roth IRA under section 408A(e).

rules that apply during and after the growth period are reserved in this document. The Treasury Department and IRS anticipate proposing regulations regarding these rules at a future date.

Additionally, section 70204 of the One, Big, Beautiful Bill Act added section 6434, which provides for a one-time \$1,000 pilot program contribution from the Secretary to the Trump account of an eligible child with respect to whom an election is made under section 6434. Section 6434(a) provides that an election for the pilot program contribution is made by an individual with respect to an eligible child of that individual. Section 6434(c) provides that an eligible child is a qualifying child under section 152(c) who (i) is born during the 2025, 2026, 2027, or 2028 calendar years; (ii) has had no prior pilot program election made by any individual; and (iii) is a United States citizen. The Treasury Department and the IRS are proposing regulations under section 6434 in a separate notice of proposed rulemaking (REG-117002-25) published elsewhere in this issue of the ***Federal Register***.

Because the criteria under section 530A to be an eligible individual for whom an initial Trump account can be opened are less restrictive than the criteria under section 6434 to be an eligible child for a pilot program contribution, only some eligible individuals will also be an eligible child. Similarly, the criteria under section 530A for who can make the election to open an initial Trump account are less restrictive than the criteria under section 6434 for who can make the election for a pilot program contribution.

Section 128 employer contributions paid to a Trump account of an employee or a dependent of an employee are not includible in the employee's income. Such contributions are limited to \$2,500, subject to cost-of-living adjustments after 2027. Section 128 employer contributions must be made pursuant to a section 128(c) Trump account contribution program. (The Treasury Department and the IRS intend to issue

guidance under section 128 at a future date.)

Notice 2025-68, 2025-52 IRB 856, informed taxpayers that the Treasury Department and the IRS intend to propose regulations providing guidance with respect to section 70204, including with respect to making an election to open an initial Trump account. The notice addresses certain initial questions related to Trump accounts and requests comments, with the comment period ending February 20, 2026. The notice indicates that proposed regulations regarding the election to open an initial Trump account (that is, these proposed regulations) may be issued prior to the end of the comment period and to the extent comments in response to the notice regarding that subject are not received in time to consider in drafting the proposed regulations, they will be considered in drafting the final regulations.

Explanation of Provisions

Proposed §1.530A-1 would provide general requirements for Trump accounts, certain definitions relating to Trump accounts, rules regarding the election to open an initial Trump account, and rules regarding the responsible party for the initial Trump account.

I. Trump Accounts - General Requirements

As provided under section 530A(b)(1), proposed §1.530A-1(b)(1) would provide that a Trump account is a type of traditional IRA that is established for the exclusive benefit of an eligible individual and, after the death of the individual, his or her beneficiaries. As provided under section 530A(h)(1), proposed §1.530A-1(b)(1) would clarify that a Trump account cannot be a SIMPLE IRA under section 408(p) and cannot accept contributions from an employer's SEP arrangement under section 408(k).

Proposed §1.530A-1(b)(2) would provide requirements for a Trump account. First, as provided under section 530A(b)(1)(A)(i) and (ii), a Trump account is either (i) an initial Trump account, which is a Trump account created or organized by the Secretary

for an eligible individual, or (ii) a rollover Trump account, which is a subsequent Trump account created during the growth period and funded by a qualified rollover contribution from the account beneficiary's existing Trump account.⁴ Because a rollover Trump account must be funded by a qualified rollover contribution (which is a transfer of the entire account balance from the individual's prior Trump account), an individual is permitted to have only one Trump account containing funds (funded Trump account) at a time.

Second, because a Trump account is a traditional IRA, the written governing instrument establishing a Trump account must generally meet the requirements of section 408(a)(1) through (6), as well as the requirements of section 530A(b)(1)(C)(i) through (iii). The written governing instrument generally should reflect both the rules that apply during the growth period and the rules that apply after the growth period. The requirements of section 530A(b)(1)(C)(i) through (iii) would be clarified in §§1.530A-2 through 1.530A-4, which are reserved in this document and are expected to be proposed in the future.

Third, under the authority in sections 408(a)(2) and 530A(a), proposed §1.530A-1(b)(2)(iii) would provide for the automatic approval to act as a trustee of a Trump account of any person approved by the IRS as of December 31, 2025, to be a nonbank trustee of an IRA. Persons who are approved by the IRS after December 31, 2025, must request approval in the application to act as a trustee of a Trump account. The Treasury Department and the IRS are also considering changes to the requirements to be a nonbank trustee and request comments. In particular, comments are requested on whether the adequacy of net worth requirement in §1.408-2(e)(5)(ii) should be changed to treat certain debt as equity (for example, for broker-dealers, debt meeting the

⁴ The Treasury Department and IRS intend to release sample language for rollover Trump accounts in future guidance.

conditions specified in the rule may be treated as capital pursuant to the Securities and Exchange Commission rule in 17 CFR 240.15c3-1), whether the special rule for a governmental unit seeking to be a nonbank trustee in §1.408-2(e)(8) should be expanded to include other types of IRAs (including Trump accounts) beyond a deemed IRA that is part of the governmental unit's own qualified employer plan, and whether the fiduciary experience requirement in §1.408-2(e)(2)(iii) should take into account the fiduciary experience of subcontractors of the applicant.

Fourth, as provided under section 530A(b)(1)(B), the written governing instrument establishing a Trump account must clearly designate the account as a Trump account at the time of establishment. Proposed §1.530A-1(b)(2)(iv) would also require that the account must be titled as a Trump account.

Proposed §1.530A-1(b)(3) would outline the general areas where Trump accounts differ from other traditional IRAs. There are special rules for Trump accounts during the growth period related to: contributions (as provided under section 530A(c)); investments (as provided under section 530A(b)(3)); distributions (as provided under section 530A(d)); reporting (as provided under section 530A(i)); and coordination with IRA rules (as provided under section 530A(h)). These requirements would be clarified in §§1.530A-2 through 1.530A-6, which are reserved in this document and are expected to be proposed in the future. Proposed §1.530A-1(b)(3) would also provide that, after the growth period, the rules under section 408 that apply to other traditional IRAs generally apply to Trump accounts (as provided under section 530A(a) and (h)).

Proposed §1.530A-1(b)(4) would define terms that apply for purposes of section 530A and the regulations thereunder.

In accordance with section 530A(b)(4), proposed §1.530A-1(b)(4)(i) would define *account beneficiary* as the individual for whom a Trump account was established.

Proposed §1.530A-1(b)(4)(ii) would define *authorized individual* as the individual described in proposed §1.530A-1(c)(1)(i).

In accordance with section 530A(b)(2), proposed §1.530A-1(b)(4)(iii) would define *eligible individual* as any individual who has not attained age 18 before the end of the calendar year in which an election to open an initial Trump account is made under §1.530A-1(c), has been issued a social security number within the meaning of section 24(h)(7) before the election is made, and for whom the election is made pursuant to proposed §1.530A-1(c).

Proposed §1.530A-1(b)(4)(iv) would define an account beneficiary's *growth period* as the period that begins when the initial Trump account is established and ends on December 31 of the calendar year in which the account beneficiary attains age 17. This term is created for ease of reference and stands for the concept generally used in section 530A of "the period before the first day of the calendar year in which the account beneficiary attains age 18."

Proposed §1.530A-1(b)(4)(v) would define *IRA* for purposes of section 530A as an individual retirement account under section 408(a) and includes a custodial account that is treated as a trust pursuant to section 408(h). Although in other places in the Code and regulations, the term *IRA* includes both individual retirement accounts under section 408(a) and individual retirement annuities under section 408(b), this definition excludes individual retirement annuities under section 408(b), in accordance with section 530A(b)(1).

Proposed §1.530A-1(b)(4)(vi) would define *pilot program contribution* as a \$1,000 contribution made by the Secretary upon the processing of an election for the Trump accounts contribution pilot program under section 6434. Only individuals who meet the definition of an eligible child under section 6434 (which is different from the

section 530A(b)(2) definition of eligible individual) are eligible to receive a pilot program contribution.

In accordance with section 530A(e), proposed §1.530A-1(b)(4)(vii) would define *qualified rollover contribution* as a direct trustee-to-trustee transfer of the account beneficiary's entire Trump account balance to a rollover Trump account for the same account beneficiary.

Proposed §1.530A-1(b)(4)(viii) would define *traditional IRA* as an individual retirement account under section 408(a) that is not a Roth IRA under section 408A.

Proposed §1.530A-1(b)(5) would provide that, for purposes of section 530A, an individual will attain an age on the individual's birthday (the birthday rule). See Rev. Rul. 2003-72, 2003-33 IRB 346, for other instances in which the birthday rule is applied for specific sections of the Code.

II. Election to Open an Initial Trump Account

A. Who can make the election

Proposed §1.530A-1(c)(1) would provide that an election to open an initial Trump account for an eligible individual could be made either by an authorized individual or by the Secretary, in accordance with the two methods for making an election provided under section 530A(b)(2)(C).

As provided under section 530A(b)(2)(C)(ii), a person other than the Secretary (which the proposed regulation would limit to a particular person referred to as the "authorized individual") may make the election if no prior election to open an initial Trump account has been made by the Secretary for the eligible individual. Under the proposed regulation, an authorized individual would be defined in two different ways. If an election under section 6434 for a pilot program contribution is being made at the same time as the election to open the initial Trump account, proposed §1.530A-1(c)(1)(i)(A) would provide that the authorized individual is the individual

authorized to make (and is making) the election under section 6434 for a pilot program contribution. This approach would ensure that the person permitted to elect to open the initial Trump account is the same person making a pilot program election under section 6434. The proposed regulations would provide that, by making the election, the authorized individual is representing, under penalties of perjury, that he or she is the pilot program-electing individual.

If a pilot program election is not being made at the same time as the election to open an initial Trump account (for example, because the eligible individual was born before January 1, 2025, and therefore is not eligible for a pilot program contribution), proposed §1.530A-1(c)(1)(i)(B) would provide an ordering rule to determine who is the authorized individual for purposes of making the election to open an initial Trump account. Because only one election to open an initial Trump account can be made for an eligible individual, the Treasury Department and the IRS believe that an ordering rule is necessary to provide a clearer process for determining who may make that election. Under the proposed ordering rule, the authorized individual would be, in order of priority, a legal guardian, parent, adult sibling, or grandparent of the eligible individual. If multiple individuals share the same highest level of priority and no prior election has been made for the eligible individual, any individual with that level of priority may make the election to open an initial Trump account. Because no pilot program election is being made, there is no need to conform to the requirements of section 6434. This ordering rule is based on §1.529A-2(c), which governs who (other than the designated beneficiary of an account established under a section 529A⁵ qualified ABLE program (an ABLE account)) may establish the designated beneficiary's only ABLE account. The proposed regulations would provide that, by making the election, the authorized individual is

⁵ Section 529A was enacted by Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014, which was enacted as part of the Tax Increase Prevention Act of 2014, Public Law 113-295 (128 Stat. 4010).

representing, under penalty of perjury, that he or she is authorized under these rules to open the initial Trump account for the eligible individual and that there is no other person with a higher priority available to make the election.

Comments are requested on (1) whether definitions are needed for the terms “legal guardian,” “parent,” “sibling,” and “grandparent,” (2) whether any other individual who bears a relationship to the eligible individual under section 152(c)(2) should also be an authorized individual, and (3) who may be the authorized individual in situations involving foster children, orphans, emancipated minors, wards of the State, and other situations involving minors that may need clarification in the regulations (particularly, whether a State that is the guardian of the child would be an authorized person eligible to open the account).

Alternatively, as would be provided in proposed §1.530A-1(c)(1)(ii), if an election was made by an individual who was not an authorized individual with respect to an eligible individual at the time that the election was made, the Secretary is deemed to have made the election to open the initial Trump account. In such instance, even though the Trump account was opened based on an election by an individual who was not an authorized individual, the account will not cease to be a Trump account. See Section II.C for certain situations in which a responsible party may be removed and replaced.

The Treasury Department and the IRS have received comments that the Secretary should make an election on behalf of each individual who has met the requirements to be an eligible individual based on information from tax returns or otherwise (for example, from Social Security Administration data). Commenters argue that making an election to open an initial Trump account on behalf of these children is within the authority granted to the Secretary under section 530A(b)(2)(C)(i).

Commenters point to the success of automatic enrollment (opt-out design) in analogous state-based early wealth building programs and also in qualified retirement plans. These

opt-out designs (which do not require any participant action before enrollment) have increased participation relative to opt-in designs (which require action before enrollment).

Notably, opt-out designs that exist in analogous state-based early wealth building programs and qualified retirement plans involve pooled accounts as opposed to individual retirement accounts. Pooled accounts are well-suited to automatic enrollment because a plan or program can add a new individual as a participant or beneficiary of an existing pooled vehicle without establishing a new, separately maintained account in that individual's name. By contrast, automatically opening a Trump account would require establishing a new individual account and completing the associated administrative steps needed to open and maintain that account in compliance with the Code and other applicable law (including federal and state banking, securities, and anti-money laundering laws).

Although opt-out designs would result in higher participation, the Treasury Department and the IRS have determined that it is necessary to limit the situations in which the Secretary will make the election. Most significantly, the Secretary would be unable to fulfill certain requirements to open and operate a Trump account without disclosure of taxpayer information. Section 6103 prohibits the disclosure or inspection of information from taxpayers' tax returns or that is otherwise received, recorded, prepared, furnished to, or collected by the IRS with respect to the taxpayer except as expressly authorized in the Code. Without an exception from the prohibition on disclosure, the Treasury Department would be unable to perform necessary actions to open an account, make eligible investments (which could be reportable financial transactions), or assign a responsible party other than the Secretary; thus, an account opened in this way would therefore be unable to comply with the Code and applicable law.

Without an exception to section 6103, the Secretary may be prohibited from disclosing the existence of the Trump account to any individuals who might apply to become a responsible party. This would be a barrier to the account receiving any contributions from family members, who would not have any account information, or to receiving the pilot program contribution (because an election must be made by a pilot program-electing individual under section 6434). It would also prevent families from opening rollover Trump accounts because there would be no ability to authorize a qualified rollover contribution, which is needed to fund the rollover Trump account. Keeping the Secretary as the responsible party would be particularly problematic for account beneficiaries otherwise eligible for a rollover to an ABLE account because the Secretary generally will have no way of knowing whether such a rollover would be appropriate for a particular beneficiary.

The Treasury Department and the IRS have sought to make the election process as simple and frictionless as possible by permitting individuals to file a one-page Form 4547 at the time of filing their tax return or at a different time, or through an electronic application or webpage made available by the Secretary. Comments are requested on additional ways in which the Treasury Department and the IRS can further simplify making the election to open an initial Trump account while complying with the requirements under the Code and applicable law (including federal and state banking, securities, and anti-money laundering laws). Comments are also requested on whether the Treasury Department and the IRS should authorize a State or other government entity to make an election on behalf of an eligible individual after a certain period of time if an initial Trump account has not yet been created by an authorized individual, again while complying with the requirements under the Code and other applicable laws.

B. How to make the election

Proposed §1.530A-1(c)(2) would provide that an election by an authorized individual to open an initial Trump account must be made on or before December 31 of the calendar year in which the eligible individual attains age 17, as required by section 530A(b)(2)(A).

Proposed §1.530A-1(c)(3) would provide that the election by an authorized individual must be made on the form prescribed by the Secretary (Form 4547, *Trump Account Election(s)*) or through an electronic application or webpage made available by the Secretary, in accordance with applicable instructions. The election may be made at any time during the period specified in proposed §1.530A-1(c)(2), including at the same time that the authorized individual files such individual's Federal income tax return. The initial Trump account election, however, is not a part of any individual's tax return and is independent of the filing of the income tax return.

Proposed §1.530A-1(c)(4) would provide that only the first election to open an initial Trump account processed by the IRS with respect to an eligible individual will result in an initial Trump account being opened for that eligible individual. Once the first election is processed, no further election to open an initial Trump account will be allowed. This proposed rule is intended to prevent multiple initial Trump accounts from being opened for the same eligible individual and conforms with the section 530A(b)(2)(C) requirements that no prior election for that eligible individual has been made.

C. Responsible party

Section 530A(b)(1)(A)(i) requires that the Secretary create or organize the initial Trump account. Because the account beneficiary of a Trump account does not initially have legal capacity under applicable law, a responsible party is needed to take actions on behalf of the account beneficiary in managing the Trump account; therefore, the

Secretary must designate a responsible party to act on behalf of the account beneficiary. Proposed §1.530A-1(d) would provide that, in general (that is, unless State law or, if the trustee chooses, the account agreement, provides otherwise), the responsible party of the initial Trump account will be the individual who makes the election to open the account. The responsible party could have the authority to select among eligible investments (if there is more than one eligible investment offered), to direct a transfer to a different trustee pursuant to a qualified rollover contribution or to an ABLE account pursuant to a qualified ABLE rollover contribution, or to select a successor responsible party. However, applicable law, including State law, or the account agreement could limit or condition the actions that the responsible party will be able to take on behalf of the account beneficiary.

The Treasury Department and the IRS recognize that there may be situations in which it may be appropriate for the person who is currently the responsible party of a Trump account to be replaced, including when the individual who made the election to open the initial Trump account was not, in fact, an authorized individual. In these situations, applicable law (including State law) or the account agreement will govern when and how a responsible party may be removed and replaced. For example, a legal guardian might be able to obtain a court appointment under applicable State law to be a responsible party of a Trump account. Further, to the extent not inconsistent with State law, the account agreement might provide procedures under which a responsible party may be removed and replaced without a court appointment. For example, to the extent not inconsistent with applicable law, these procedures could include who can request the removal of a responsible party (such as the account beneficiary's legal guardian) and who can be the new responsible party (such as a corporate trustee, the account beneficiary's legal guardian, or another person who is an authorized individual, consistent with the ordering rule in proposed §1.530A-1(c)(1)).

III. Reserved Regulations Regarding Trump Accounts

This notice of proposed rulemaking reserves §§1.530A-2 through 1.530A-6 for future guidance addressing contributions, investments, distributions, reporting, and other special rules and coordination with IRA rules.

Proposed Applicability Date

The regulations are proposed to apply to taxable years beginning on or after January 1, 2026. In accordance with section 7805(b)(2), the Treasury Department and the IRS intend to publish final regulations within 18 months of the date of enactment of section 530A.

Special Analyses

I. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity).

Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility.

The proposed regulations have been designated by the Office of Management and Budget's (OMB's) Office of Information and Regulatory Affairs (OIRA) as subject to review under Executive Order 12866 pursuant to the Memorandum of Agreement (MOA, July 4, 2025) between the Treasury Department and the OMB regarding review of tax regulations. OIRA has determined that the proposed rulemaking is economically significant under section 3(f)(1) of Executive Order 12866 and subject to review under Executive Order 12866 and section 1(b) of the MOA. Accordingly, the proposed regulations have been reviewed by OMB. This proposed rule is not expected to be considered a regulatory action under Executive Order 14192 because it imposes no

more than de minimis costs.

Need for Regulation

The proposed regulations would explain how to make an election to open a Trump account under section 530A of the Internal Revenue Code (Code). The proposed regulations would define terms for the purpose of implementing section 530A, clarify who may elect to open an initial Trump account, explain how to elect to open an initial Trump account, and designate a default responsible party to manage an initial Trump account on behalf of the account beneficiary.

The Statute and the Proposed Regulations

Public Law 119-21, commonly referred to as the One, Big, Beautiful Bill Act, added new sections 530A, 128, and 6434 to the Code. Section 530A describes Trump accounts, section 128 describes certain employer contributions to Trump accounts, and section 6434 describes the Trump accounts contribution pilot program. The proposed regulations provide guidance on making an election to open an initial Trump account under section 530A.

Section 530A defines a Trump account as a traditional individual retirement account (IRA) with some special rules. Most special rules that distinguish Trump accounts from other IRAs apply only during the growth period. The first day of the growth period is the day the account is established, and the final day of the growth period is December 31 of the calendar year in which the account beneficiary attains age 17. The rules for traditional IRAs generally apply after the growth period. A Trump account may be established for the benefit of a child prior to the calendar year in which the child attains age 18 if the child has been issued a social security number.

In general, distributions from Trump accounts are not permitted during the growth period. The entire balance of a Trump account may be rolled over in a direct trustee-to-trustee transfer to a new Trump account of the account beneficiary. The entire balance

of a Trump account may be rolled over in a direct trustee-to-trustee transfer to an ABLE account of the account beneficiary in the calendar year the account beneficiary attains age 17.

Investments in a Trump account must track the returns of a broad index of equities in primarily U.S. companies for which regulated futures contracts are traded, avoid the use of leverage, and avoid annual fees and expenses above 0.1%.

Trump accounts may receive contributions from nonprofits, governments, employers, and individuals. In general, contributions to a Trump account are subject to an annual limit of \$5,000, adjusted for inflation.

Governments and nonprofits may only make contributions through the Treasury Department, and such contributions must be made in equal amounts to the Trump accounts of every account beneficiary in a qualified class. Contributions from governments and nonprofits through the Treasury Department do not count towards the \$5,000 annual contribution limit.

Section 128 sets rules for certain employer contributions to Trump accounts. Employers may contribute to the Trump account of an employee or an employee's dependent. Section 128 employer contributions to a Trump account are excluded from the employee's income, up to an annual limit of \$2,500, adjusted for inflation. Section 128 employer contributions count towards the \$5,000 annual contribution limit.

Section 6434 describes the Trump accounts contribution pilot program. In the pilot program, the Secretary will pay \$1,000 to the Trump accounts of eligible children. A U.S. citizen born in 2025, 2026, 2027, or 2028 who has been issued a social security number and for whom no request for a pilot program contribution has previously been processed is eligible for a pilot program contribution. Pilot program contributions do not count towards the \$5,000 annual contribution limit.

All other contributions to a Trump account, including contributions from friends or family members, are non-deductible contributions (they create investment in the contract (basis)) and count towards the \$5,000 annual contribution limit.

The proposed regulations would be just one piece of the implementation of section 530A; the proposed regulations would reserve the following sections in the Code of Federal Regulations for future guidance: §§1.530A-2, 1.530A-3, 1.530A-4, 1.530A-5, and 1.530A-6. The proposed regulations would define the following terms for the purposes of implementing section 530A: growth period, IRA, pilot program contribution, and traditional IRA. Growth period is a concise term for the period described repeatedly by the statute as “the period before the first day of the calendar year in which the account beneficiary attains age 18.” An IRA is an individual retirement account. A pilot program contribution is a contribution to a Trump account under section 6434. A traditional IRA is an individual retirement account that is not a Roth IRA.

The proposed regulations would clarify who may elect to open an initial Trump account. Under the proposed regulations, an individual who is making a pilot program election for an eligible child under section 6434 must also elect to open an initial Trump account if no prior election was made to open an initial Trump account.⁶ If no individual is making a pilot program election, then one of the following individuals may elect to open an initial Trump account: a legal guardian, a parent, an adult sibling, or a grandparent, in that order of priority.

The proposed regulations would explain how to elect to open an initial Trump account. Under the proposed regulations, the election to open an initial Trump account must be made on a form prescribed by the Secretary (Form 4547, Trump Account

⁶ A pilot program election under section 6434 is a request for a pilot program contribution, which is \$1,000 paid to the Trump account of a child born in 2025 through 2028. A pilot program election is distinct from an election to open an initial Trump account under section 530A.

Election(s)) or through an electronic application or webpage made available by the Secretary.

The proposed regulations would designate a default responsible party to manage an initial Trump account on behalf of the account beneficiary while the account beneficiary does not have legal capacity. Under the proposed regulations, in general, the default responsible party for an initial Trump account is the individual who makes the election to open an initial Trump account.

Baseline

The Treasury Department and the IRS have assessed the benefits and costs of the proposed regulations relative to a no-action baseline reflecting anticipated Federal income tax-related behavior in the absence of these proposed regulations.

Affected Entities and Taxpayers

The proposed regulations are expected to affect 73 million children in 44 million families.

Economic Effects of the Proposed Regulations

Election to open an initial Trump account

In general, the regulations would provide clarity to the 44 million families with children under age 18 who may be eligible to open an initial Trump account. The regulations would be responsive to the statutory requirement that the election to open an initial Trump account be made in a time and manner prescribed by the Secretary. These regulations would clarify who may open an initial Trump account for the minor child and in what order of priority, and who may be the responsible party for the initial Trump account while the child is still a minor. The statute does not prescribe a time or manner to make the election to open an initial Trump account; the statute requires the Secretary to prescribe the time and manner of an election. Providing clarity about the election to open an initial Trump account would result in initial Trump accounts opening

for some children under age 18 for whom an account would have been opened later or not at all. Those children would benefit from receiving a qualified general contribution or a contribution from a family member that they may have missed had the account been opened later or not at all. The Treasury Department and the IRS used historical returns for a broad index of U.S. equities to quantify the benefit at age 18 of \$1,000 invested at various ages.⁷ Among birth cohorts from 1926 to 2006, Table 1 shows that while an earlier investment allows for more growth, there are still typically benefits at age 18 from making an investment even at age 17.

Table 1

Investment scenario	Value at age 18 of investment in broad index of US equities		
	10th percentile	50th percentile	90th percentile
\$1,000 at birth	2,980	6,180	13,800
\$1,000 at age 1	2,860	5,690	11,990
\$1,000 at age 2	2,680	4,920	10,040
\$1,000 at age 3	2,400	4,750	9,030
\$1,000 at age 4	2,150	4,260	8,040
\$1,000 at age 5	2,020	3,990	7,110
\$1,000 at age 6	1,770	3,620	6,350
\$1,000 at age 7	1,660	3,280	5,380
\$1,000 at age 8	1,680	3,150	4,670
\$1,000 at age 9	1,480	2,740	4,110
\$1,000 at age 10	1,350	2,460	3,560
\$1,000 at age 11	1,340	2,350	3,040
\$1,000 at age 12	1,180	2,050	2,720
\$1,000 at age 13	1,050	1,890	2,390
\$1,000 at age 14	1,020	1,630	2,060
\$1,000 at age 15	990	1,400	1,810
\$1,000 at age 16	970	1,240	1,590
\$1,000 at age 17	900	1,160	1,330

Notes: Percentiles at age 18 are calculated based on birth cohorts 1926 through 2006. For a particular birth cohort, the value at age 18 of one dollar invested at birth is calculated as the gross 18-year market return for a broad index of US equities.

Who may open a Trump account

⁷ Kenneth R. French Data Library.
https://mba.tuck.dartmouth.edu/pages/faculty/ken.french/data_library.html

The proposed regulations would clarify who may elect to open an initial Trump account. The proposed regulations would allow the following individuals to open an initial Trump account: an individual making a pilot program election for an eligible child under section 6434, a legal guardian, a parent, an adult sibling, or a grandparent. An alternative would be to allow only an individual for whom the eligible individual is a dependent under the Code to make the election.

This choice and several others would provide clarity about the election to open an initial Trump account, which may allow the account beneficiary to receive a contribution that they otherwise would have missed. See Table 1 for the value at age 18 of a \$1,000 investment at a range of ages in a range of historical market conditions.

Although section 530A contemplates an election to open an initial Trump account made by the Secretary, the Treasury Department and IRS have determined that the Treasury Department would generally be unable to perform necessary actions to open an account (1) without a statutory exception to the disclosure prohibition in section 6103 and (2) due to additional legal constraints (including federal and state banking, securities, and anti-money laundering laws). For these reasons, the Secretary making the election to open an initial Trump account was not an alternative within the discretion of the Treasury Department and IRS. If there were a legal path for the Treasury Department to open initial Trump accounts, then there would still be substantial administrative challenges to consider.

Ordering rule

The proposed regulations would set an ordering rule among individuals authorized to elect to open an initial Trump account. The proposed regulations would prioritize an individual making a pilot program election. If no one is making a pilot program election, then the proposed regulations would use the same ordering rule as is used in section 529A: legal guardian, parent, adult sibling, grandparent. An alternative

would be to decline to specify an ordering rule. By prioritizing an individual making a pilot program election, the proposed regulations would streamline the process of opening an initial Trump account and making a pilot program election. By specifying the ordering rule used in section 529A in other cases, the proposed regulations would use an established system for guiding taxpayers and ordering elections.

This choice and several others would provide clarity about the election to open an initial Trump account, which may allow the account beneficiary to receive a contribution that they otherwise would have missed. See Table 1 for the value at age 18 of a \$1,000 investment at a range of ages in a range of historical market conditions.

Responsible party

The proposed regulations would designate a default responsible party to manage an initial Trump account on behalf of the account beneficiary. Under the proposed regulations, the default responsible party for an initial Trump account would be the individual who makes the election to open an initial Trump account. One alternative would be for the legal guardian to be the responsible party. Another alternative would be for the individual making the initial Trump account election to specify a responsible party. Designating the individual who makes the initial Trump account election as the default responsible party simplifies the process and avoids confusion from involving multiple individuals in the process of opening and managing the account.

II. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) generally requires that a Federal agency obtain the approval of the Office of Management and Budget (OMB) before collecting information from the public, whether such collection of information is mandatory, voluntary, or required to obtain or retain a benefit. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number. The

information collection in proposed §1.530A-1(c) is used to open an initial Trump account for eligible individuals. The burden associated with the collection of information in these proposed regulations are included in Form 4547 and its instructions and approved under OMB control number 1545-2336 in accordance with PRA procedures under 5 C.F.R. 1320.10.

III. Regulatory Flexibility Act

The Secretary hereby certifies that these proposed regulations would not have a significant economic impact on a substantial number of small entities pursuant to the Regulatory Flexibility Act (5 U.S.C. chapter 6). The proposed rules would not impose any requirement or obligation upon small entities. The proposed rules affect individuals and the trustee of the initial Trump accounts, which is not a small entity. Because the regulation does not impose any requirement or obligation on small entities, a Regulatory Flexibility Act analysis is not required.

IV. Unfunded Mandates Reform Act

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits and take certain other actions before issuing a final rule that includes any Federal mandate that may result in expenditures in any one year by a State, local, or Tribal government, in the aggregate, or by the private sector, of \$100 million in 1995 dollars, updated annually for inflation. These proposed regulations do not include any Federal mandate that may result in expenditures by State, local, or Tribal governments, or by the private sector in excess of that threshold.

V. Executive Order 13132: Federalism

Executive Order 13132 (Federalism) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on State and local governments, and is not required by statute, or preempts State law, unless the agency meets the consultation and funding requirements of section 6 of

the Executive order. These proposed regulations do not have federalism implications and do not impose substantial direct compliance costs on State and local governments or preempt State law within the meaning of the Executive order.

VI. Small Business Administration

Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for the Office of Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Request for a Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to comments regarding the notice of proposed rulemaking that are submitted timely to the IRS as prescribed in this preamble under the **ADDRESSES** section. The Treasury Department and the IRS request comments on all aspects of the proposed regulations. Any comments submitted will be made available at <https://www.regulations.gov> or upon request. A public hearing will be scheduled if requested in writing by any person who timely submits electronic or written comments. Requests for a public hearing are also encouraged to be made electronically. If a public hearing is scheduled, notice of the date and time for the public hearing will be published in the *Federal Register*.

Statement of Availability of IRS Documents

IRS revenue procedures, revenue rulings, notices, and other guidance cited in this document are published in the Internal Revenue Bulletin (or Cumulative Bulletin) and are available from the Superintendent of Documents, U.S. Government Publishing Office, Washington, DC 20402, or by visiting the IRS website at <http://www.irs.gov>.

Drafting Information

The principal author of these proposed regulations is the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes) at

(202) 317-4148. Personnel from the Treasury Department and the IRS also participated in its development.

Lists of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, the Treasury Department and IRS propose to amend 26 CFR part 1 as follows:

PART 1--INCOME TAXES

Paragraph 1. The authority citation for part 1 is amended by adding an entry in numerical order for §1.530A-1 to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

* * * * *

Section 1.530A-1 also issued under 26 U.S.C. 408(a)(2), 530A(a), (b)(1)(A)(i), (b)(1)(B), and (b)(2)(C).

* * * * *

Par. 2. Sections 1.530A-1 through 1.530A-6 are added to read as follows:

§1.530A-1 Trump accounts - General requirements and election to open an account.

(a) *In general.* This section provides general requirements regarding Trump accounts and rules for making an election to open an initial Trump account.

(b) *Trump accounts--(1) In general.* A Trump account is a type of traditional IRA described in section 530A(b)(1) for the exclusive benefit of an eligible individual and, after the death of the individual, his or her beneficiaries. A Trump account is subject to special rules that are different from the rules for other traditional IRAs, most of which apply only during the growth period. Additionally, a Trump account cannot be a SIMPLE

IRA under section 408(p) and cannot accept contributions from an employer's simplified employee pension (SEP) arrangement under section 408(k). See paragraph (b)(4) of this section for definitions applicable for this section.

(2) *Requirements for a Trump account.* A Trump account must meet the requirements stated in this paragraph (b)(2).

(i) *Types of Trump accounts.* A Trump account must be either an initial Trump account or a rollover Trump account.

(A) *Initial Trump account.* An individual's initial Trump account is the individual's first Trump account, which must be created or organized by the Secretary pursuant to an election that is made in accordance with the rules set forth in paragraph (c) of this section.

(B) *Rollover Trump account.* After an initial Trump account is established, a rollover Trump account may be established for the account beneficiary during his or her growth period. A rollover Trump account must first be funded by a qualified rollover contribution from the account beneficiary's existing Trump account before receiving any other contribution, and an individual may have only one Trump account containing funds at a time. See section 530A(e) for more details regarding qualified rollover contributions.

(ii) *Written governing instrument--(A) In general.* The written governing instrument establishing a Trump account must generally meet the requirements of section 408(a)(1) through (6), which apply to other IRAs, as well as the requirements of section 530A(b)(1)(C)(i) through (iii), which apply only to Trump accounts. The written governing instrument generally should reflect both the rules that apply during the growth period and the rules that apply after the growth period.

(B) *During the growth period.* During the growth period, a written governing instrument establishing a Trump account must generally restrict the timing and annual amount of contributions to the Trump account in accordance with

section 530A(b)(1)(C)(i), prohibit distributions from the Trump account in accordance with section 530A(b)(1)(C)(ii), and require that the funds in the Trump account be invested only in an eligible investment in accordance with section 530A(b)(1)(C)(iii). Additionally, during the growth period, the written governing instrument establishing a Trump account must meet the requirements of section 408(a)(1) through (6), to the extent not inconsistent with section 530A. For example, during the growth period, the annual limit on the amount of contributions is governed by section 530A(c)(2) rather than section 408(a)(1). In addition, if the account beneficiary dies during the growth period, section 530A(d)(6) applies rather than the required minimum distribution rules of section 408(a)(6). In contrast, the other requirements of section 408 apply both during and after the growth period, such as the requirement of section 408(a)(1) that contributions (other than rollovers, including qualified rollover contributions) must be made in cash, and the other requirements of section 408(a)(2) through (5). For example, pursuant to section 408(a)(2), the trustee of a Trump account must be a bank (as defined in section 408(n)) or a nonbank trustee approved by the IRS.

(C) *After the growth period.* A written governing instrument establishing a Trump account must meet the requirements of section 408(a)(1) through (6) after the growth period, except as provided in section 530A. For example, after the growth period, the contribution limits of section 408(a)(1) generally apply, except that the section 530A(h)(1) prohibition against a Trump account receiving contributions under a SEP arrangement under section 408(k) or a SIMPLE IRA plan under section 408(p) continues to apply to a Trump account after the growth period.

(iii) *Automatic approval for certain nonbank trustees.* For purposes of section 530A, any person approved by the IRS as of December 31, 2025, to be a nonbank trustee of an IRA is automatically approved to be a nonbank trustee of a Trump account. Any person who is automatically approved to be a nonbank trustee of a

Trump account and actually becomes a Trump account trustee must notify the IRS, in writing, of this fact. See §1.408-2(e)(6)(iv).

(iv) *Designation as a Trump account.* The written governing instrument establishing a Trump account must clearly designate the IRA as a Trump account at the time of establishment. Accordingly, an existing account (such as an IRA that is not a Trump account) cannot be amended to become a Trump account. In addition, a Trump account must be titled to clearly identify the account as a Trump account for the benefit of the account beneficiary.

(3) *Differences from other traditional IRAs--(i) During the growth period.* During the growth period, there are special rules for Trump accounts with respect to:

- (A) Contributions (see section 530A(c));
- (B) Investments (see section 530A(b)(3));
- (C) Distributions (see section 530A(d));
- (D) Reporting (see section 530A(i)); and
- (E) Coordination with IRA rules (see section 530A(h)).

(ii) *After the growth period.* After the growth period (that is, starting January 1st of the year in which the account beneficiary attains age 18), the rules under section 408 that apply to other traditional IRAs are generally applicable to Trump accounts, except as provided in section 530A(h).

(4) *Definitions.* For purposes of section 530A and the regulations thereunder, the following definitions apply--

(i) *Account beneficiary.* The term *account beneficiary* means the individual for whose benefit a Trump account was established.

(ii) *Authorized individual.* The term *authorized individual* means the individual as described in paragraph (c)(1)(i) of this section.

(iii) *Eligible individual.* The term *eligible individual* means any individual—

(A) Who has not attained age 18 before the end of the calendar year in which an election under paragraph (c) of this section is made;

(B) For whom a social security number (within the meaning of section 24(h)(7)) has been issued before the date on which an election under paragraph (c) of this section is made; and

(C) For whom an election is made under paragraph (c) of this section.

(iv) *Growth period*. For any individual with a calendar year taxable year, the term *growth period* means, with respect to an account beneficiary, the period that begins when the initial Trump account is established and ends on December 31 of the calendar year in which the account beneficiary attains age 17. For example, a child born on October 1, 2025, would attain age 17 on October 1, 2042, and therefore the last day of the growth period with respect to the child would be December 31, 2042.

(v) *IRA*. The term *IRA* means an individual retirement account under section 408(a) and includes a custodial account that is treated as a trust pursuant to section 408(h). Accordingly, the term *IRA* does not include an individual retirement annuity under section 408(b).

(vi) *Pilot program contribution*. The term *pilot program contribution* means a \$1,000 contribution to a Trump account made by the Secretary upon the processing of an election for the Trump accounts contribution pilot program under section 6434.

(vii) *Qualified rollover contribution*. The term *qualified rollover contribution* means a direct trustee-to-trustee transfer of an account beneficiary's entire Trump account balance to a rollover Trump account for the same account beneficiary.

(viii) *Traditional IRA*. The term *traditional IRA* means an IRA that is not a Roth IRA under section 408A.

(5) *Application of the birthday rule.* For purposes of section 530A, an individual attains an age on his or her birthday. For example, a child who is born on January 1, 2009, attains age 18 on January 1, 2027.

(c) *Election to open an initial Trump account--(1) Who can make the election.* An election to open an initial Trump account for an eligible individual may be made by:

(i) An authorized individual, if no prior election to open an initial Trump account has been made for the eligible individual by the Secretary under paragraph (c)(1)(ii) of this section. For this purpose, the authorized individual with respect to an eligible individual is determined as follows--

(A) If an election under section 6434 for a pilot program contribution with respect to the eligible individual is being made at the same time as the election to open the initial Trump account for the eligible individual, then the authorized individual is the individual who is authorized to make (and is making) the election under section 6434 for a pilot program contribution (the pilot program-electing individual). By making the election, the authorized individual is representing, under penalties of perjury, that he or she is the pilot program-electing individual; or

(B) If an election under section 6434 for a pilot program contribution is not being made at the same time as the election to open the initial Trump account, then the authorized individual is a legal guardian, parent, adult sibling, or grandparent of the eligible individual, in that order of priority. If multiple individuals have the same highest level of priority and no prior election has been made for the eligible individual, then any individual with that level of priority may make the election. For example, if there is no legal guardian, either parent of an eligible individual may make this election. By making the election, the authorized individual is representing, under penalties of perjury, that he or she is authorized to open the initial Trump account for the eligible individual and that

there is no one else with a higher level of priority who is available to make the election;
or

(ii) The Secretary, if the Secretary determines (based on information available to the Secretary from tax returns or otherwise) that the individual has met the other requirements to be an eligible individual, no prior election to open an initial Trump account has been made for the individual by an authorized individual under paragraph (c)(1)(i) of this section, and an election was made by an individual who was not an authorized individual at the time that the election was made. In such instance, the Secretary is deemed to have made the election to open the initial Trump account and the Trump account that was opened based on an election by an individual who was not an authorized individual will not cease to be a Trump account.

(2) *Time to make the election.* An election to open an initial Trump account must be made (if at all) on or before December 31 of the calendar year in which the eligible individual attains age 17.

(3) *Manner of making the election.* The election by an authorized individual to open an initial Trump account must be made on the form prescribed by the Secretary or through an electronic application or webpage made available by the Secretary, in accordance with applicable instructions. No initial Trump account will be opened based on an election by an authorized individual unless the authorized individual makes the election in such manner.

(4) *Resolving multiple elections for an eligible individual.* Only the first election to open an initial Trump account that is processed by the Secretary with respect to an eligible individual will result in the opening of an initial Trump account for the eligible individual. Once the Secretary processes the first election to open an initial Trump account, no further elections to open an initial Trump account for such eligible individual will be processed.

(d) *Responsible party for the initial Trump account.* In general, the individual who makes the election to open an initial Trump account will be the responsible party of the initial Trump account when the account is established. Unless otherwise provided under the account agreement or applicable law, the responsible party will have the authority, while the account beneficiary does not have legal capacity, to select among eligible investments (if more than one eligible investment is offered), direct a transfer for a qualified rollover contribution, direct a transfer for a qualified ABLE rollover contribution (see section 530A(d)(4)), or select a successor responsible party for the account.

(e) *Applicability date.* This section applies to taxable years beginning on or after January 1, 2026.

§§1.530A-2 through 1.530A-6 [Reserved]

Frank J. Bisignano,

Chief Executive Officer.