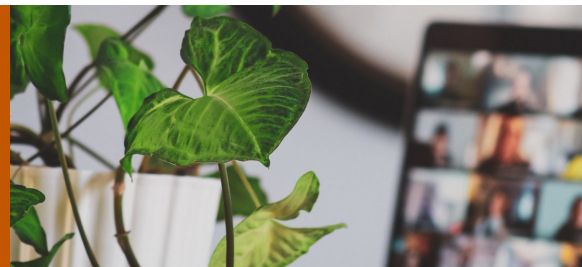


# Trump Accounts: Key Facts and Planning Considerations

JUNE 22, 2026 | BY: THE INDIVIDUAL, TRUSTS & ESTATES TEAM



Trump Accounts are a new tax-advantaged savings vehicle for children introduced under federal law in 2025. These accounts are designed to support long-term, tax-deferred savings and provide families with an additional planning tool alongside existing options such as 529 plans.

## Overview

A Trump Account is a type of individual retirement account established for a child under age 18. The account is owned by the child but must be opened by a parent, guardian, or other authorized individual. The child must have a valid Social Security number, and contributions to these accounts are expected to be eligible to begin on July 4, 2026.

Eligible children born between 2025 and 2028 may qualify for a one-time \$1,000 government contribution, provided the required election is made.

## Establishing a Trump Account

To establish a Trump Account, an election must be made using Form 4547 (Trump Account Election). The election may be submitted with a taxpayer's income tax return or filed separately. Taxpayers also have the option to complete and submit the election electronically. This can be done [through this link](#), which will direct you to File Form 4547 through your IRS Individual Online Account. Setting the account up this way allows you to track the status of the election and view any required next steps.

Because real-time status tracking is available primarily through the IRS Individual Online Account, taxpayers without online access will generally need to rely on IRS correspondence or contact the IRS directly for updates on their election.

Taxpayers interested in establishing a Trump Account should first confirm eligibility and ensure the child has a valid Social Security number. The next step is to complete and submit Form 4547, either with the taxpayer's income tax return or through the IRS Individual Online Account. Those eligible for the \$1,000 government contribution should be sure to elect into the program when filing the form.

Once the election is processed, taxpayers may receive an email with instructions to complete the account setup and activation process. Account activation and ongoing management can be completed through the official Trump Accounts mobile app (available on major app stores) or via the web platform at [TrumpAccounts.gov](https://TrumpAccounts.gov). Taxpayers without access to a mobile device may also use the web-based version [through this link](#) to complete setup and manage the account.

## Contributions and Key Features

Trump Accounts generally allow total annual contributions of up to \$5,000 per child from all sources. Employer contributions of up to \$2,500 per year are permitted and are included within the overall annual limit. Unlike traditional or Roth IRAs, contributions are not dependent on the child having earned income.

Contributions to Trump Accounts are not deductible for federal income tax purposes. However, earnings within the account grow on a tax-deferred basis, which may provide long-term planning benefits. Investment options are limited and generally must track broad U.S. equity indices.

## Withdrawal Rules

Funds typically cannot be accessed until the child reaches age 18, with limited exceptions. After age 18, the account is generally treated similarly to a traditional IRA, and distributions may be subject to applicable tax rules and penalties depending on timing and use.

## Key Planning Considerations

Consideration should also be given to the coordination of contributions, as both family members and employers may fund the account within the annual limit. Because contributions are not deductible, the primary tax benefit is the deferral of earnings over time. Trump Accounts should also be evaluated alongside other savings vehicles, such as 529 plans, to ensure alignment with overall financial and tax planning goals.

## Gift Tax Considerations

At this time, it appears that people who contribute to a Trump Account will need to file a gift tax return (Form 709) with the IRS to report the gift, because the \$19,000 gift tax annual exclusion does not apply to these gifts. Very few individuals would actually owe any gift tax but the obligation to file could be burdensome for donors. It is possible that further IRS guidance or Congressional action would change this requirement.

## Final Thoughts

Trump Accounts introduce a new option for saving on behalf of children, particularly for those focused on long-term wealth accumulation. As guidance continues to evolve, it will be important to carefully consider eligibility, contribution limits, and how these accounts fit within broader planning strategies.

For a more detailed comparison between Trump Accounts and 529 plans, please refer to our prior article, [New Trump Accounts: Overview and Opportunities](#).

For additional information or to discuss whether a Trump Account is appropriate, please contact our office.

## RELATED SERVICES

Individuals, Trusts & Estates Tax

State & Local Tax