



TaxNewsFlash

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Proposed regulations: Guidance regarding “Trump accounts” and contribution pilot program

The U.S. Treasury Department and IRS today released [proposed regulations](#) (REG-117270-25) regarding “Trump accounts,” enacted under section 70204 of the “One Big Beautiful Bill Act” (OBBBA), as well as [proposed regulations](#) (REG-117002-25) regarding the Trump accounts contribution pilot program under which the Trump accounts of eligible children can receive \$1,000 pilot program contributions.

Description of Trump accounts

A Trump account is a type of traditional individual retirement account (IRA) established under new section 530A for the exclusive benefit of an eligible individual or such eligible individual’s beneficiaries. An eligible individual is any individual (1) 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, (2) 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 (3) 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 31 of the calendar year in which the account beneficiary 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.

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 (1) funds in a Trump account can be invested only in eligible investments, (2) a Trump account has a separate contribution limit from other individual retirement arrangements—the maximum contribution starting in 2026 will be \$5,000, with the limit being indexed starting in 2028, (3) a Trump account is generally not allowed to make distributions, (4) no deduction by an individual is allowed under section 219 for any contribution to a Trump account, and (5) trustees of Trump accounts have similar but different reporting requirements from trustees of other IRAs. After the growth period, most of the special rules no longer apply and the rules under section 408 governing traditional IRAs generally apply.

A new section 128 allows employer contributions to a Trump Account of an employee or the employee’s dependents. The contribution is not included in the employee’s gross income if made pursuant to a program meeting certain requirements. The contribution with respect to any employee is limited to \$2,500, subject to cost-of-living adjustments after 2027.

A new section 6434 also provides for a one-time pilot program under which U.S. citizens born in 2025 through 2028 are eligible for a \$1,000 contribution to a Trump account. The contribution is considered an exempt contribution and does not count towards the annual contribution limit.

Proposed regulations on Trump accounts

The proposed regulations on Trump accounts provide guidance on the 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.

The proposed regulations reserve sections for future anticipated guidance on Trump accounts, including on the special rules that apply during and after the growth period and the rules under section 128 relating to employer contributions.

The proposed regulations are proposed to apply to tax years beginning on or after January 1, 2026.

Comments on the proposed regulations, and requests for a public hearing, are due by May 8, 2026

Read a related IRS release—[IR-2026-33](#) (March 6, 2026)

Proposed regulations on Trump accounts contribution pilot program

The proposed regulations on the Trump accounts contribution pilot program would provide guidance on making an election for the Trump account of an eligible child to receive a \$1,000 pilot program contribution and would define several terms solely for purposes of section 6434, including the terms “eligible child,” “pilot program election,” “pilot program-electing individual,” “special taxable year,” and “social security number.”

The proposed regulations are proposed to apply on or after January 1, 2026.

Comments on the proposed regulations, and requests for a public hearing, are due by April 8, 2026.

Read a related IRS release—[IR-2026-31](#) (March 6, 2026)

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