530A Trump Account fact sheet

A 530A account — aka a Trump account — is a new tax-advantaged investment vehicle for eligible minors that allows parents, family members and employers to contribute up to $5,000 annually to help build a child's long-term wealth. These accounts provide tax-deferred growth in low-cost U.S. stock index funds and function as traditional IRAs once a child turns 18.

To accelerate adoption of these accounts, children born between Jan. 1, 2025, and Dec. 31, 2028, are eligible for a one-time $1,000 federal "seed" deposit to jump-start their accounts. This government contribution does not count toward the annual $5,000 private contribution limit and is designed to provide immediate market exposure from birth.

530A accounts share similarities with traditional IRAs but include unique rules until the child turns 18. Beginning Jan. 1 of that year, the account can be rolled into a traditional IRA. You also may be able to convert it to a Roth IRA, offering the potential for tax-free growth over many years, subject to standard IRA rules and future regulations.

When are these accounts available?

The law makes this account type available as of July 4, 2026, through the U.S. Treasury Department and Treasury banking partners. For up-to-date information, visit trumpaccounts.gov.

Why it matters

530A Trump Accounts combine early savings, tax advantages and future conversion options — helping build generational wealth and financial security over time. A child's account that receives $5,000 in annual contributions would total $271,000 by the time they turned 18, according to trumpaccounts.gov.

Who is eligible to have a 530A Trump Account?

A parent or other qualifying person can open a Trump Account on behalf of a U.S. child younger than 18 who has a Social Security number and meets legal citizenship requirements.

What makes 530A Trump Accounts different from traditional IRAs?

One account per child

- Each child can have one funded Trump Account at a time.

Simple, low-cost investment options

- Funds can only be invested in low-cost U.S. equity index funds or exchange-traded funds (ETFs).

Annual contribution limits

- Generally, $5,000 can be contributed annually to a child's account, including up to $2,500 from an employer, adjusted annually for inflation beginning in 2028.

Tax treatment

- Contributions are made with after-tax dollars (similar to Roth-style funding), except if your employer elects to include the accounts in your Section 125 cafeteria plan. Like traditional IRAs, Trump Accounts grow tax deferred.

Account features and benefits

530A Trump Accounts vs. other savings plans

Account growth period (birth–age 17)*

Feature	530A Trump Account	Traditional IRA	529 plan	UTMA/UGMA
Purpose	Build long-term wealth from birth.	Retirement savings	Education savings	Allows an adult to transfer money or assets to a minor, for the minor's benefit, without a formal trust
Pilot program contribution	A $1,000 seed contribution from the federal government is provided for children born between 2025 and 2028. This initial deposit does not count toward the annual contribution limit.	None	None	None
Annual contribution limit	Contribute up to $5,000 per child each year — using after-tax dollars — for any year before the child turns 18; will be indexed for inflation starting in 2028.	Base $7,500 (2026) using pre- and post-tax dollars	Contribution limits vary by state, but many states set annual gifting limits and lifetime maximums that often exceed $300,000. All contributions are made with after-tax dollars.	No funding limit; however, there is an annual gifting exclusion limit per donor for those depositing to the account.

Account growth period (birth–age 17)*

Feature	530A Trump Account	Traditional IRA	529 plan	UTMA/UGMA
Who can contribute	Anyone can contribute to a Trump Account — parents, grandparents, employers and even charitable organizations. These contributions do not affect the contributor's own IRA contribution limits. To count for a given year, contributions need to be made within that calendar year.	Account owner with earned income	Any "person" as defined by the IRS: • Individuals (parents, grandparents, relatives, friends) • Trust • Estates • Businesses/employers • Nonprofits or other organizations	No restrictions on those who can contribute; however, once they have contributed, the gift is irrevocable.
Employer contributions	Employers can contribute up to $2,500 per employee each year, regardless of how many children the employee has. These employer contributions count toward the same $5,000 annual limit available for each child's Trump Account. To make contributions, an employer must first set up a Trump Account Employer Contribution Program that covers all employees. The IRS is expected to provide additional guidance, including rules that will allow salary-deferral contributions to be made on a pretax basis through an employer's cafeteria plan.	None	Businesses/employers can contribute up to the annual gift tax exclusion (2026 limit is $19,000). Businesses/employers can front-load a 529 plan using the five-year gift tax averaging election (individual limit of $95,000 for 2026).	No restrictions on those who can contribute; however, once they have contributed, the gift is irrevocable.
Tax benefits	Tax-deferred growth	Tax-deferred growth	Tax-free growth and withdrawals for qualified use	Not a tax-advantaged account
Investments	Limited to mutual funds or ETFs that track a broad U.S. stock market index such as the S&P 500, which represents many of the largest U.S. companies	• Stocks • Bonds • Mutual funds & ETFs • CDs • Annuities • Some alternatives	Most plans are professionally managed portfolios made up of stock funds, bond funds, cash or stable-value options, and age-based portfolios.	• Stocks • Bonds • Mutual funds & ETFs • CDs • Annuities • Some alternatives
Philanthropic/ entity contributions	Contributions can also be made by: • States • State political subdivisions • Tribal governments • Charitable organizations recognized under IRC § 501(c)(3)	None	Any "person" as defined by the IRS: • 501(c)(3) organizations • Nonprofits • Corporations • Trusts • Estates • State and local governments	No restrictions on those who can contribute; however, once they have contributed, the gift is irrevocable.

*The account growth period ends on Jan. 1 of the calendar year in which the child turns 18.

Qualified use & distribution period (age 18+)

Feature	530A Trump Account (age 18)	Traditional IRA	529 plan	UTMA/UGMA (age of majority)
Age limit reached	The account remains a 530A Trump Account unless it is rolled into an IRA. The rollover can occur after the growth period has ended. Alternatively, the written governing instrument of the Trump account may provide that, immediately after the growth period, the assets of the Trump account will be transferred to a traditional IRA for the account beneficiary.	Retirement savings — no age limit	Education savings — no age limits New clients can roll over 529 funds to a Roth IRA up to the Roth IRA limit or lifetime limit of $35,000.	When the child reaches the age of majority, the custodian is removed and the account transitions to the now-adult “owner.” At that point, the account functions as a standard brokerage account, and the former minor has full control over investment and distribution decisions.
Annual contribution limit	As a Trump Account, no additional contributions	Base $7,500 (2026)	Varies by state; often annual gift limit contribution and $300K+ lifetime limit. Funding is after-tax.	Functions as a brokerage account once converted
Who can contribute	As a Trump Account, no additional contributions	Account owner with earned income	Parents, grandparents, friends and others	Functions as a brokerage account once converted
Employer contributions	As a Trump Account, no additional contributions	None	None	None
Tax benefits	Tax-deferred growth	Tax-deferred growth	Tax-free growth and withdrawals for qualified use	Not a tax-advantaged account
Investments	Mutual funds or ETFs that track a broad U.S. stock market index such as the S&P, which represents many of the largest U.S. companies	Wide range of asset types	Varies by plan; often mutual funds	Wide range of asset types

