

## Trump Accounts Regulatory Updates (May 2026)

### Trump Accounts, [IRS Notice 2025-68](#)

The U.S. Department of the Treasury and the Internal Revenue Service (IRS) have released Notice 2025-68, outlining their plans to develop regulations for section 530A of the Internal Revenue Code—the provision that creates “Trump Accounts.”

Trump Accounts are federally administered savings accounts created for eligible children under section 530A of the Internal Revenue Code. The program provides an initial \$1,000 federal contribution for qualifying children and allows families, employers, and state or local governments to make additional contributions, with funds invested only in low-fee index-tracking mutual funds or ETFs that charge no more than 0.1 percent in annual fees. For state and local governments, Trump Accounts may offer a new tool to support family financial stability, promote long-term savings, or even serve as an employee benefit—making it important for finance officers to understand how contributions work and what the IRS is proposing.

While the program is designed primarily as a federally managed savings account for eligible children, the notice also explains how state and local governments, tribal governments, and certain nonprofit organizations may choose to contribute to these accounts through what the law calls “general funding contributions.

For governments considering whether to participate, the notice offers important guidance on how contributions must be structured, who may receive them, and the role Treasury will play in identifying beneficiaries and distributing funds. Among the key points: contributions must be provided equally to everyone within a defined “qualified class,” governments cannot add their own eligibility requirements, and contributions cannot begin until July 4, 2026.

The table below highlights the provisions in IRS Notice 2025-68 that are most relevant for state and local governments evaluating potential participation and understanding how contributions would be administered.

Notice of intent to issue regulations with respect to section 530A Trump accounts

Reference	Provision Summary	Source	Excerpt
TA-1	Qualified general contributions funded by states and other governmental entities	IRS Notice 2025-68, p. 4	“qualified general contributions (funded by states (or political subdivisions thereof), the United States, the District of Columbia, Indian tribal governments, or section 501(c)(3) tax-exempt organizations)”

TA-2	Contributions cannot be made before July 4, 2026	IRS Notice 2025-68, p. 5	“contributions to Trump accounts cannot be made before July 4, 2026.”
TA-3	Definition of qualified general contribution (made by Secretary pursuant to general funding contribution)	IRS Notice 2025-68, p. 38	“a ‘qualified general contribution’ is any contribution that (A) is made by the Secretary pursuant to a general funding contribution”
TA-4	Definition of general funding contribution (eligible contributors)	IRS Notice 2025-68, p. 38	“a ‘general funding contribution’ is a contribution (A) made by (i) an entity described in section 170(c)(1) (other than a possession of the United States or a political subdivision thereof) or an Indian tribal government, or (ii) an organization described in section 501(c)(3) and exempt from tax under section 501(a)”
TA-5	Three permissible qualified classes	IRS Notice 2025-68, p. 39	“a ‘qualified class’ means any of the following three classes of account beneficiaries: (i) <i>all Trump Account beneficiaries residing in a specific state or locality</i> , (ii) <i>all beneficiaries born in a specified calendar year</i> , or (iii) <i>all beneficiaries who meet another objective, non-discretionary criterion permitted under the regulations.</i>
TA-6	Qualified geographic area definition (≥5,000 + Secretary designation)	IRS Notice 2025-68, p. 39	“a ‘qualified geographic area’ means any geographic area in which not less than 5,000 account beneficiaries reside and which is designated by the Secretary as a qualified geographic area.”
TA-7	Treasury identifies beneficiaries and distributes	IRS Notice 2025-68, p. 39	“the Treasury Department or its agent will identify all account beneficiaries within the qualified class specified by the general funding contribution and will distribute the qualified general contribution to the Trump account of each account beneficiary in the qualified class.”
TA-8	Minimum general funding contribution (\$25 per beneficiary for 2026–2027)	IRS Notice 2025-68, p. 40	“for the calendar years 2026 and 2027, the application will require a minimum general funding contribution equal to at least \$25 per account beneficiary in the qualified class.”

TA-9	No qualified geographic area designation during initial phase	IRS Notice 2025-68, p. 41	“the Treasury Department and the IRS will not designate any qualified geographic area during the initial phase.”
TA-10	No additional eligibility criteria permitted	IRS Notice 2025-68, p. 41	“no additional eligibility criteria may be imposed on the qualified class.”
TA-11	Notice does not address state law issues	IRS Notice 2025-68, p. 8	“this notice does not address issues that are not under the Code, such as state law issues or other non-tax laws...”
TA-12	Trustee reporting contributor identity if requested	IRS Notice 2025-68, p. 33-34	“the trustee will report the amount and the identity of a contributor making the general funding contribution... if the contributor requests to be identified.”

**Trump Accounts Contribution Pilot Program**  
[REG-117002-25](#)

The U.S. Department of the Treasury and the Internal Revenue Service (IRS) have released proposed regulations ([REG-117002-25](#)) to implement the Trump Accounts Contribution Pilot Program under section 6434 of the Internal Revenue Code. The proposal outlines the process for delivering a one-time \$1,000 federal contribution to eligible children’s Trump Accounts when an election is filed. Under the proposed rule, eligible recipients are U.S. citizens born between 2025 and 2028 who have been issued a Social Security number, and the contribution is deposited once a valid election is submitted in accordance with section 6434.

For state and local governments interested in participating, the proposed regulation makes clear that they may provide additional voluntary contributions to Trump Accounts. These contributions must flow through the Treasury Department and be distributed in equal amounts to every beneficiary within a designated “qualified class.” Under the proposal, that class consists of eligible Trump Account holders—U.S. citizens born between 2025 and 2028 who have been issued a Social Security number.

The details below highlight the provisions in REG-117002-25 that may be most relevant for state and local governments evaluating whether and how they might participate in the program.

- **The regulation states that governments are allowed to contribute to these accounts.**
  - Excerpt: *“Trump accounts may receive contributions from **nonprofits, governments, employers, and individuals.**” (p.19)*

- **Government contributions must go through the Treasury Department**
  - Excerpt: “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.” (p.19)
- **Government contributions do not count toward the annual contribution limit**
  - Excerpt: “Contributions from governments and nonprofits through the Treasury Department **do not count towards the \$5,000 annual contribution limit.**” (p.19)
- **Federal government provides the initial \$1,000 contribution**
  - Excerpt: “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** for whom elections under section 6434 are made.” (p.19)
- **Eligibility requirements for the \$1,000 contribution**
  - Excerpt: “A U.S. citizen born in 2025, 2026, 2027, or 2028, who has been issued a social security number... is eligible for a pilot program contribution.” (p.19)

## **Trump Accounts**

### **[REG-117270-25](#)**

The U.S. Department of the Treasury and the Internal Revenue Service (IRS) have also released proposed regulations ([REG-117270-25](#)) that outline the broader framework for establishing and administering Trump Accounts under section 530A of the Internal Revenue Code. The proposal details how the accounts will be created, the Treasury Secretary’s role in organizing them, the responsibilities of trustees, and the rules governing contributions and account designation.

Although the regulation focuses primarily on the federal structure and administration of the accounts, it also clarifies how outside entities—including state and local governments—may participate by making voluntary contributions. The proposal confirms that government entities are eligible contributors, but it also sets clear parameters for how those contributions must be handled. Government contributions must be made through the Treasury Department, distributed equally among all beneficiaries within a designated “qualified class,” and remain subject to the program’s annual contribution limit of \$5,000 (adjusted for inflation).

The details below highlight the provisions in REG-117270-25 that may be most relevant for state and local governments considering whether they may wish to contribute under the program’s proposed framework.

- **The regulation specifies that the federal government establishes the accounts**
  - Excerpt: “An individual’s first Trump account... is to be **created or organized by the Secretary.**” (p.2)

- **The account must be designated as a Trump account when established**
  - Excerpt: “A Trump account must be *designated... at the time of its establishment as a Trump account.*” (p.2)
  
- **Contributions from governments are permitted**
  - Excerpt: “Trump accounts may receive contributions from nonprofits, governments, employers, and individuals.” (p.18)
  
- **Government contributions must be distributed evenly within a qualified class**
  - Excerpt: “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.*” (p.18)
  
- **Annual contribution limit for accounts**
  - Excerpt: “Contributions to a Trump account are subject to *an annual limit of \$5,000, adjusted for inflation.*” (p.18)