

First Choice Tax Service

Trump Savings Accounts 2026

For Taxpayers with Dependents Under Age 18

Trump Accounts are tax-deferred savings accounts created for children under 18 under the One Big Beautiful Bill Act. As the Act became law, a new tax-advantaged savings account was introduced with specific requirements and tax rules.

Trump Accounts are long-term savings accounts designed for children. The accounts are tax-deferred, meaning the money grows without being taxed until withdrawn. Contribution and withdrawal rules are unique and change once the child reaches age 18.

The Trump savings account for newborns applies to children born between 2025 and 2028. Qualifying newborns receive a one-time \$1,000 government contribution, often referred to as a Trump baby savings account.

Trump Accounts allow governments, nonprofits, employers, and other organizations to contribute to a child's future. No other account type allows this level of early support. *Dell Foundation contributions are available for children aged 10 and under who were born before 2025 and live in ZIP codes with a median household income under \$150,000.*

Trump Accounts function similarly to custodial Traditional IRAs. Contributions and earnings grow tax-deferred, and a parent or guardian manages the account until the child reaches age 18. Earned income is not required, contributions are not tax deductible until age 18, and withdrawal rules differ from Traditional IRAs.

Opening a Trump Account is built into tax preparation. The account is initiated during tax prep, eligibility is confirmed, and Form 4547 is completed to establish the account. If not filed with the return, it may be completed later through the government portal. A custodian sets up the account and provides confirmation. Funding begins according to Treasury timelines, with certain contributions, including the \$1,000 government deposit, beginning after July 4, 2026.

Children under 18 with a Social Security number qualify, and only parents or guardians may open the account. There are no income or filing status requirements. The \$1,000 government contribution applies to children born between 2025 and 2028. Accounts can be opened and contributions made starting July 4, 2026.

Until age 18, contributions may be made by parents, guardians, grandparents, family members, employers, and the child's employer. The annual contribution limit is \$5,000 per child, with up to \$2,500 from employer contributions. The \$1,000 government contribution does not count toward this limit, and excess contributions must be removed. After age 18, Traditional IRA contribution limits and rules apply.

No distributions are allowed before age 18. After age 18, Traditional IRA rules apply, and distributions before age 59½ are subject to a 10% penalty unless an exception applies.

For more information or to open an account go to www.trumpaccounts.gov

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Trump Savings Accounts – Client Notice & Acknowledgment

Tax Year 2025 | Effective 2026

Trump Savings Accounts are tax-deferred savings accounts for children under age 18 created under the One Big Beautiful Bill Act. Earnings grow tax-deferred, with rule changes once the child reaches age 18. Children born between 2025 and 2028 may qualify for a one-time \$1,000 government contribution. Accounts may be opened and funded beginning July 4, 2026, subject to Treasury guidance.

Form 4547

As part of 2025 tax preparation, Form 4547 will be completed **ONLY FOR CHILDREN BORN IN 2025**. Completion of this form is optional and requires the parent or legal guardian to opt in or opt out. Our firm **will not** complete Form 4547 for dependents under age 18 who were not born in 2025. Responsibility for opening and managing Trump Savings Accounts for all other eligible dependents rests solely with the taxpayer.

Government Portal. Once available (expected mid-2026), Trump Savings Accounts may be opened and managed through the federal portal: www.trumpaccounts.gov

Disclosures. Our firm does not open, manage, or fund Trump Savings Accounts. Ongoing contributions, compliance, and monitoring are the taxpayer's responsibility. Accounts are subject to federal law and Treasury regulations.

Client Election & Acknowledgment

- I elect to have Form 4547 completed for my qualifying child born in 2025
- I decline to have Form 4547 completed at this time
- I have children under the age of 18 but were not born in 2025

I acknowledge receipt of this information and understand that Form 4547 will be completed only for children born in 2025. I am responsible for opening and managing Trump Savings Accounts through the federal portal and for establishing accounts for any other dependents under age 18.

Taxpayer Name:(Printed) _____

Taxpayer Signature: _____ Date: _____

Spouse Name:(Printed) _____

Spouse Signature: _____ Date: _____