

GENERAL QUESTIONS ON 530A/TRUMP ACCOUNTS

What is a 530A/Trump Account?

A 530A/Trump Account is a federally backed, tax-deferred savings account designed to give American children a head start on long-term financial security. It functions like a custodial traditional Individual Retirement Account (IRA). The account is held in the child's name, but a parent or legal guardian manages it as the custodian until the child reaches adulthood.

Who is eligible to have a 530A/Trump Account?

Any child who is a U.S. citizen under the age of 18 with a valid Social Security number is eligible for a 530A/Trump Account.

What is the \$1,000 federal government contribution?

Children born between January 1, 2025, and December 31, 2028, qualify for a one-time \$1,000 "pilot program" seed contribution from the U.S. Department of the Treasury. This money is deposited automatically once the account is established and does not count towards the annual contribution limit of \$5,000.

How much money can be contributed each year?

Individual Contributions: Parents, grandparents, relatives, or friends can contribute a combined total of up to \$5,000 per year (indexed for inflation after 2027).

Employer Contributions: Employers may contribute up to \$2,500 per year to an employee's child's 530A/Trump Account. Employer contributions count toward the overall annual contribution limit.

Charities/Government: Certain governmental entities and charities may also make qualified general contributions to 530A/Trump Accounts.

How are the funds in a 530A/Trump Account invested?

Funds must be invested in a qualified, low-cost investment designed to provide long-term growth. Under current law, investments are limited to certain mutual funds or exchange-traded funds (ETFs) that track the S&P 500 or another broad stock market index made up primarily of U.S. companies. These investments are diversified across many companies, helping to reduce risk while allowing savings to grow over time. To help protect a

child's savings, the law also limits investment fees to 0.10% (10 basis points), ensuring that high fees do not significantly reduce account growth.

What happens to the 530A/Trump Account when the child turns 18?

The growth period ends on December 31 of the calendar year in which the child turns age 17. Beginning January 1 of the year the child turns 18, the account transitions out of the growth period and generally operates under the rules that apply to traditional IRAs.

The account remains owned by the beneficiary, who typically assumes control of the account at age 18 (or later in states with a higher age of majority). Earnings continue to grow tax-deferred, and withdrawals are subject to applicable tax rules and requirements.

Additional guidance may be issued regarding certain account features and public benefit considerations after the growth period ends.

PUBLIC BENEFITS & SUPPLEMENTAL SECURITY INCOME (SSI) PROTECTION QUESTIONS

Does owning a 530A/Trump Account affect a child's eligibility for SSI?

According to current Social Security Administration (SSA) guidance, the full value of a 530A/Trump Account is excluded as a resource for Supplemental Security Income (SSI) purposes during the account's growth period. The growth period lasts from the time the account is established through December 31 of the calendar year in which the child turns age 17.

SSA also states that contributions to a 530A including the \$1,000 federal seed contribution, are not counted as income for SSI purposes. During the calendar year the beneficiary turns age 17; funds may be eligible to roll over to an ABL account.

SSA has not yet issued complete guidance regarding SSI treatment after the growth period ends.

Do contributions and the \$1,000 federal seed contribution count as income for SSI?

The recent SSA guidance provides two vital clarifications regarding income calculations:

Direct Contributions: Funds deposited directly into a 530A/Trump Account by family, friends, or outside sources do not count as income to the child for SSI purposes.

Federal Pilot Seed Money: The federal government's \$1,000 pilot contribution is explicitly excluded and does not count as income for SSI eligibility.

What happens to a 530A/Trump Account when a child receiving SSI turns 18?

For families receiving SSI, this transition is especially important. Current SSA guidance excludes the value of a 530A/Trump Account as a resource through the end of the calendar year in which the child turns 17. SSA may issue additional guidance regarding how the account will be treated for SSI purposes after that time.

Families will want to explore rolling eligible funds into an ABE account during the year the child turns 17. This will help preserve resources for disability-related expenses while maintaining eligibility for important benefits. Under current law, a qualified rollover from a 530A/Trump Account to an ABE account does not count toward the annual ABE contribution limit of \$20,000. Visit [ABE NRC](#) for more information about ABE Accounts.

Why should a family consider rolling over to an ABE account at age 17, and how is it done?

For some families, rolling funds from a 530A into an ABE account during the year the child turns 17 may provide important advantages. ABE accounts allow eligible individuals with disabilities to save and use money for qualified disability expenses, such as housing, education, transportation, healthcare, assistive technology, and other disability-related needs.

In addition, ABE accounts offer special protections for many means-tested benefits, including SSI and Medicaid, making them an important long-term savings tool for many people with disabilities.

If a rollover is permitted, the transfer must generally be completed as a direct rollover from the 530A/Trump Account to the ABE account. Current federal guidance requires the entire balance of the 530A/Trump Account to be transferred; partial rollovers are not permitted.

Note for Families: When communicating with your local Social Security field office, you can reference [the Social Security guidance](#) to ensure staff properly document and develop your child's 530A/Trump Account as an excluded resource. To register for a 530A/Trump account, file [IRS Form 4547](#), [download the app](#), and create an account!

Disclaimer: *Growth projections are based on average return of the S&P 500, past performance does not guarantee future results.