



Extension

UNIVERSITY OF WISCONSIN-MADISON

What Are 530A (“Trump”) Accounts?

In July 2025, the federal government passed a bill known as the “[One Big Beautiful Bill](#).” This bill introduced many important economic changes including the creation of “530A accounts,” which are a new type of individual retirement account (IRA) for eligible children ([IRS](#)).

IRAs are often used for retirement savings by people with earned income. Unlike normal IRAs, 530A accounts (also called Trump accounts), can be opened for a child under the age of 18 and don’t require the child, who is the account owner, to have earned income.

Starting in 2026, “all U.S. children under age 18 with a valid Social Security Number are eligible to establish a Trump Account. Parents or legal guardians can open and manage accounts on behalf of their children.” ([trumpaccounts.gov](#)). Accounts can be opened by using IRS Form 4547, which should be available by early 2026, when filing taxes or through an online portal, which is expected by summer 2026.



There will be a pilot program that contributes \$1,000 from the federal government to accounts for eligible children born between January 1, 2025, and December 31, 2028. Additionally, there may be private donations to 530A accounts by philanthropists and corporations. Visit [trumpaccounts.gov](#) for the latest information on donations to these accounts.



How much can be contributed to 530A accounts?

No personal contribution is necessary to open the account or receive the \$1,000 pilot program contribution. However, a total of \$5,000 can be contributed to the account per year by parents & legal guardians, family members, friends, and employers.

Who owns the child’s 530A account?

The account is fully in the child’s name, and parents & legal guardians are the sole custodians until the child turns 18 years old.

How will the money in the 530A account be invested?

The money in the account will be invested in a broad set of companies through a “low-cost index fund” that has a focus on long-term growth.

When can the money in a 530A account be used?

Money generally can’t be withdrawn before January 1st of the calendar year in which the child turns 18 years old. At that point, the account generally is treated as a traditional IRA and generally is subject to the same rules, which means that money could then be used for qualified expenses such as education, a first-time home purchase, or starting a business.

You can talk about saving for your child’s future, and other financial topics, with your county’s financial educator. Visit <https://counties.extension.wisc.edu/> for more information.