TRUMP ACCOUNTS

KINGSVIEW WEALTH

A new IRA-style account designed to be owned by a minor. Created under the OBBBA. Available at financial institutions mid-2026. Funding begins July 2026.

Annual Limit: *$5,000* | Combined across all sources, inflation-indexed. No contributions after age 18. The pilot deposit is excluded from the limit.

How It Gets *Funded*

Each source has its own rules. The pilot and philanthropic dollars sit outside the $5,000 cap.

- **Government Pilot** — $1,000. One-time per child, born 1/1/25 to 12/31/28. U.S. citizen with valid SSN. Does not count toward the $5K cap.
- **Employer** — up to $2,500 per year, not taxable to the employee. Counts toward the $5K cap. Inflation-indexed from 2028.
- **Qualified General Contributions** — Non-profits and local governments, broad-based, for a qualified class of beneficiaries. Does not count toward the $5K cap.
- **Family and Friends** — may also contribute, within the combined $5,000 annual limit. A parent or guardian acts as custodian until age 18.

Eligibility & Contribution *Rules*

U.S. citizen under age 18, with at least one parent holding a valid SSN. Must be opened by a parent, guardian, or legal representative.

INVESTMENT RULES

ALLOWED

Passive U.S. stock index funds, mutual funds and ETFs, diversified for broad-market exposure.

PROHIBITED:

Foreign, leveraged, and actively managed funds. Individual securities are also prohibited.

Tax *Treatment*

Each leg of the account has its own tax behavior. The split is the key.

Personal Contributions:
Not tax-deductible going in. Withdrawn as a return of basis, not taxable on the way out.

Employer Contributions:
Not included in the employee's taxable income. Taxed as ordinary income when withdrawn.

Investment Growth:
Grows tax-deferred inside the account. Taxed as ordinary income when withdrawn.

Why a Trump Account Over a *Custodial IRA*

A custodial IRA needs the child to have earned income. A Trump Account does not. That single difference is the case.

Trump Account: Funds from birth, no earned income needed. Employer and philanthropic contributions allowed.

Custodial IRA: Child needs earned income to contribute. No outside funding sources, no employer match for kids.

Bottom line: A Trump Account starts compounding at year one, not at the first summer job.

Withdrawals: *The Three Stages*

1 Locked Until 18
Penalty-free for certain uses from 18 to 59½. Unrestricted after 59½.

2 Birth to Age 18
No withdrawals permitted. Funds stay invested and compounding.

3 After Age 59½
Penalty and use restrictions lifted. Funds available for any purpose; standard income tax still applies.

Qualified pre-retirement
(ages 18 to 59½) — Penalty waived, income tax still applies to growth and employer dollars. Annual contribution limits are indexed for inflation after 2027.

- **Higher Education:** tuition, fees, books, supplies
- **Vocational and Apprenticeship:** tuition, tools, materials
- **Small Business Startup:** up to $10,000 for a qualified startup
- **First-Time Home Purchase:** up to $15,000
- **Medical Expenses:** unreimbursed costs over 7.5% of AGI
- **Permanent Disability:** all withdrawals treated as qualified

Any other withdrawal before 59½ carries a 10% penalty plus income tax on growth and employer dollars.

Rules subject to pending IRS guidance and final Treasury regulations. Current as of May 29, 2026. This piece is for informational purposes and is not tax, legal, or investment advice.