



(UBS)

UPDATE: What to know about Trump Accounts

20 February 2026, 10:56 UTC, written by UBS Editorial Team

In this article, we'll explain the new Trump Accounts, which will be long-term, tax-deferred investment accounts designed to give children a financial head start.

Trump Accounts were created under Section 530A of the Internal Revenue Code by the One Big Beautiful Bill Act of 2025, with initial U.S. Treasury guidance issued in December 2025 and more guidance expected in 2026.

Any child under the age of 18 with a Social Security Number can have a Trump Account opened on their behalf. Additionally, there is a pilot program during which the US Treasury will make a one-time \$1,000 contribution for children who are U.S. citizens born during 2025 through 2028.

Other funding sources include:

1. \$5,000 per year by individuals such as a parent or guardian.
2. Up to \$2,500 of this \$5,000 limit may be funded by the parent's or child's employer.
3. Others, such as non-profits or government entities may make additional contributions, not subject to the \$5,000 limit, to all children within a qualified class.
 - An early example of this is the Michael and Susan Dell Foundation commitment to contribute \$6.25 billion to fund Trump Accounts, with \$250 for 25 million US citizen children age 10 and under living in zip codes with median incomes below \$150,000.

This educational report has been prepared by UBS Financial Services, Inc. Please see important disclaimers and disclosures at the end of the document.

- Other pledges have been made by other companies and individuals, and politicians are encouraging CEOs of US corporations to similarly commit to fund Trump Accounts.

Trump Accounts can only start taking contributions beginning July 5, 2026.

All Trump Accounts must be established with the initial trustee(s) or custodian selected by the US Treasury, regardless of the contribution source, and individuals can have only one Trump Account at any time.

A new [IRS Form 4547 "Trump Account Election\(s\)"](#) is available for establishing the account and to request the one-time \$1,000 pilot program contribution for eligible children. This form can be filed with the parent, guardian or other authorized individual's income tax return or can be submitted online via [TrumpAccounts.gov](https://trumpaccounts.gov). The parent, guardian or other authorized individual who establishes the Trump Account is the responsible party for the account.

According to [TrumpAccounts.gov](https://trumpaccounts.gov) projections, the \$1,000 US Treasury contribution alone could be worth \$6,000 at age 18 and \$15,000 at age 27; adding an annual \$5,000 contribution the account could be worth \$271,000 at age 18 and \$742,000 at age 27 (assuming historical S&P 500 averages). The Trump Account must be invested in unleveraged mutual funds or ETFs that track a qualified index of primarily US equities (i.e., there is virtually no ability to hold cash), and investment fees and expenses cannot exceed 0.1%.

The contributions from individuals are not tax-deductible (i.e., they create basis in the account) while the contributions from others (employers, governments, and tax-exempts) are treated as pretax contributions. Distributions are generally not permitted before the calendar year the beneficiary attains age 18—there is no exception for a hardship distribution. The Trump Account will generally become subject to the normal rules that apply to traditional IRAs at age 18 (e.g., the investment restrictions are removed, and the assets can be converted to a Roth IRA).

After the initial Trump Account is established as discussed above, a Trump Account can be fully transferred to another trustee that offers Trump Accounts, generally a bank or brokerage firm that is eligible to custody IRAs, such accounts must satisfy the extensive reporting and account administration requirements of Trump Accounts. It is likely that many current IRA trustees and custodians will consider whether to offer Trump Accounts after the initial launch with the approved U.S. Treasury custodians in mid-2026, and their analysis of the Treasury's administrative and reporting requirements.

For more information, visit <https://trumpaccounts.gov/>.

(This article updates "What to know about Trump Accounts," published on December 22, 2025, with additional details and resources.)

Disclaimer

Hong Kong / Singapore: For Global Wealth Management clients of UBS AG Singapore / Hong Kong branch, please refer to the [HK/SG Marketing Material Disclaimer](#).

This document is prepared and published by the Global Wealth Management business of UBS Switzerland AG (regulated by FINMA in Switzerland), its subsidiaries or its affiliates ("UBS"), part of UBS Group AG ("UBS Group"). UBS Group includes former Credit Suisse AG, its subsidiaries, branches and affiliates. In the USA, UBS Financial Services Inc. is a subsidiary of UBS AG and a member of FINRA/SIPC. Additional Disclaimer relevant to Credit Suisse Wealth Management follows at the end of this section.

This document and the information contained herein are provided solely for your information and UBS marketing purposes. Nothing in this document constitutes investment research, investment advice, a sales prospectus, or an offer or solicitation to engage in any investment activities. This document is not a recommendation to buy or sell any security, investment instrument, or product, and does not recommend any specific investment program or service.

Information contained in this document has not been tailored to the specific investment objectives, personal and financial circumstances, or particular needs of any individual client. Certain investments referred to in this document may not be suitable or appropriate for all investors. In addition, certain services and products referred to in the document may be subject to legal restrictions and/or license or permission requirements and cannot therefore be offered worldwide on an unrestricted basis. No offer of any product will be made in any jurisdiction in which the offer, solicitation, or sale is not permitted, or to any person to whom it is unlawful to make such offer, solicitation, or sale.

Although all information and opinions expressed in this document were obtained in good faith from sources believed to be reliable, no representation or warranty, express or implied, is made as to the document's accuracy, sufficiency, completeness or reliability. All information and opinions expressed in this document are subject to change without notice and may differ from opinions expressed by other business areas or divisions of UBS Group. UBS is under no obligation to update or keep current the information contained herein. **The views and opinions expressed in this material by third parties are not those of UBS.** Accordingly, UBS does not accept any liability over the content shared by third parties or any claims, losses or damages arising from the use or reliance of all or any part thereof.

All pictures or images ("images") herein are for illustrative, informative or documentary purposes only and may depict objects or elements which are protected by third party copyright, trademarks and other intellectual property rights. Unless expressly stated, no relationship, association, sponsorship or endorsement is suggested or implied between UBS and these third parties. Any charts and scenarios contained in the document are for illustrative purposes only. Some charts and/or performance figures may not be based on complete 12-month periods which may reduce their comparability and significance. Historical performance is no guarantee for, and is not an indication of future performance.

Nothing in this document constitutes legal or tax advice. UBS and its employees do not provide legal or tax advice. This document may not be redistributed or reproduced in whole or in part without the prior written permission of UBS. To the extent permitted by the law, neither UBS, nor any of its directors, officers, employees or agents accepts or assumes any liability, responsibility or duty of care for any consequences, including any loss or damage, of you or anyone else acting, or refraining to act, in reliance on the information contained in this document or for any decision based on it.

Additional Disclaimer relevant to Credit Suisse Wealth Management: Except as otherwise specified herein and/or depending on the local entity from which you are receiving this document, this document is distributed by UBS Switzerland AG, authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). Your personal data will be processed in accordance with the Credit Suisse privacy statement accessible at your domicile through the official Credit Suisse website <https://www.credit-suisse.com>. In order to provide you with marketing materials concerning our products and services, UBS Group AG and its subsidiaries may process your basic personal data (i.e. contact details such as name, e-mail address) until you notify us that you no longer wish to receive them. You can optout from receiving these materials at any time by informing your Relationship Manager.

Please visit <https://www.ubs.com/global/en/wealth-management/insights/chief-investment-office/marketing-material-disclaimer.html> to read the full legal disclaimer applicable to this document.

© UBS 2026. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

Important information

There are two sources of UBS research. Reports from the first source, UBS CIO Global Wealth Management, are designed for individual investors and are produced by UBS Global Wealth Management (which includes UBS Financial Services Inc. and UBS International Inc.). The second research source is UBS Group Research, whose primary business focus is institutional investors. The two sources operate independently and may therefore have different recommendations. The various research content provided does not take into account the unique investment objectives, financial situation or particular needs of any specific individual investor. If you have any questions, please consult your Financial Advisor. UBS Financial Services Inc. is a subsidiary of UBS AG and an affiliate of UBS International Inc.



About Our Wealth Management Services

As a firm providing wealth management services to clients, UBS Financial Services, Inc is registered with the U.S. Securities and Exchange Commission (SEC) as an investment adviser and a broker-dealer, offering both investment advisory and brokerage services. Investment advisory services and brokerage services are separate and distinct, differ in material ways and are governed by different laws and separate agreements. It is important that investors understand the ways in which UBS conducts business, that they carefully read the agreements and disclosures that UBS provides to them about the products or services offered. A small number of UBS financial advisors are not permitted to offer advisory services to you, and can only work with investors directly as UBS broker-dealer representatives. Your financial advisor will let you know if this is the case and, if you desire advisory services, will refer you to another financial advisor who can help you. UBS' agreements and disclosures will inform investors about whether we and our financial advisors are acting in our capacity as an investment adviser or broker-dealer. For more information, please see www.ubs.com/workingwithus. In providing financial planning services, UBS may act as a broker-dealer or investment adviser, depending on whether we charge a fee for the service. The nature and scope of the services are detailed in the documents and reports provided to you as part of the service.

© UBS 2026. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved. UBS Financial Services Inc. is a subsidiary of UBS AG. Member FINRA/SIPC.