

The Trump Accounts app just went live. How the new savings program for kids works.

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American parents will soon have another option to fund their kids' financial futures.

"Trump Accounts," which were set up as part of the sweeping GOP-backed tax and spending law last year, will officially launch in July 2026 as an investment savings option for children.

The official Trump Accounts app went live on all major platforms on the morning of Thursday, May 28, the Treasury Department said in a statement.

"By putting easy access to Trump Accounts directly in the hands of parents and young Americans, we are helping to ensure that America's youth are included in this new era of economic participation," the Treasury Department said. The accounts will launch on July 4.

What is a Trump Account?

Trump Accounts are investment accounts for kids. The federal government will contribute \$1,000 for newborns to kick-start the account. Parents or guardians can then add their own money – up to \$5,000 a year – to maximize growth, but contributing isn't required.

Adults will have control of the account until their child turns 18. At age 18, the child can either withdraw the funds or continue to use the account for long-term investment. The account will be fully in the child's name. The Trump Accounts app will allow parents to track their kids' portfolios.

Who is eligible?

Parents can open a Trump Account for any child under 18 with a valid Social Security number. Only babies born between January 1, 2025, and December 31, 2028, will receive a \$1,000 contribution from the government.

Dell Technologies founder Michael Dell and his wife, Susan, announced that they would fund an additional \$250 to the accounts for children under 10 in areas with a median household income under \$150,000.

How does it work?

The US Treasury will automatically make a one-time \$1,000 deposit into each eligible child's account upon opening. Parents, friends, or employers can then add up to \$5,000 per kid each year to the account starting on July 4, 2026. Families with multiple children can open multiple accounts.

Visa has also announced it will allow credit card holders to add rewards into their child's account.

The money can be invested in any diversified portfolio of low-cost index funds, like those that track the S&P 500. Account holders will be able to see the live account balance and stock performance through an app.

Teenagers and young adults can contribute their own income once they start earning money. Having a Trump Account doesn't restrict them from saving in other accounts, too, like a Roth IRA.

How do I open a Trump Account?

Parents or guardians can open a Trump Account through the Internal Revenue Service. They will need to complete the newly-created IRS Form 4547 when filing their taxes this spring. The form asks for basic identifying details, such as a child's name, address, birthdate, Social Security number, and citizenship status.

Parents will also be able to open an account for their child through an online government portal, which is set to launch over the summer. Updated information will be posted on trumpaccounts.gov

How and when can I use the money?

Trump Accounts will be locked from withdrawal until the calendar year a child turns 18, at which point the funds will be transferred to their control. Account holders can choose to use the money toward a down payment, college tuition, a new business, or other major purchases. This differs from other child-focused savings accounts like a 529, which can only be used for specific purposes, like higher education.

Account holders don't have to withdraw the money at 18. They can continue to add money and treat it like a typical investment account into adulthood.

How will the account be taxed?

Trump Accounts will offer tax advantages similar to those of a traditional IRA. The \$1,000 government-funded seed money won't be taxed as family income, and any parent contributions will be tax-deferred. These contributions must be made with after-tax dollars.

Account holders won't owe taxes on investment earnings while they remain in the account, but the money will be taxed at ordinary income rates upon withdrawal.

Can I contribute to Trump Accounts for my employees?

If you're a business owner, you can contribute up to \$2,500 annually to Trump Accounts on behalf of your employees' children. These deposits are tax-deductible and count toward the \$5,000 annual contribution limit for the account.

JPMorgan and Bank of America have already pledged to match \$1,000 contributions to their employees' Trump accounts.