

## Trump Account Regulations – Out With the Proposed, in With the Temporary: Step Right up to Claim Your Child's Auto Account



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[Temporary regulations](#) paved the way for Trump Accounts to be automatically opened for more than 60 million children on October 1, 2026—bringing the current number of Accounts to nearly 70 million. While the regulations incorporate commenters' feedback on the proposed regulations, including automatic enrollment in Accounts, they may have raised more questions and concerns than were answered. This article will evaluate the key aspects of the temporary regulations and examine the questions employers will want to

consider before incorporating Accounts into their benefits packages.

### The Temporary Regulations and Auto Accounts

The temporary regulations replace and augment the [proposed regulations](#) underlying Internal Revenue Code (“Code”) Section 530A which were published on March 9, 2026. The proposed regulations outlined basic information regarding Accounts, such as the requirements of an Account's written governing instrument, who could open an Account, and when an Account could be opened. The temporary regulations retain many of the proposed regulations' core concepts—with some very significant revisions. The temporary regulations took effect September 30, 2026, apply to all taxable years beginning on or after January 1, 2026, and are set to expire on September 30, 2026.

#### *What is an Account?*

Accounts are IRAs, with certain restrictions, for individuals who have been issued a Social Security Number and will not reach 18 before the end of the year when the election to open it is made. Each Account is either an “initial Account” or a “rollover Account.” The temporary regulations define “initial Accounts” to mean: (1) Accounts opened prior to October 1, 2026, pursuant to an election; (2) an auto Account organized by the Secretary; or (3) a “claimed initial Account” organized to accept a qualified rollover contribution. Further, the establishment of an Account is now a three-step process: election to open, claiming the Account, and Account activation.

#### *Who can elect to establish an Account?*

Under the proposed regulations, an election to open an Account could be made by a child's legal guardian, parent, or other authorized adult on the Form 4547 or via [trumpaccounts.gov](https://trumpaccounts.gov). The temporary regulations provide an election to establish an Account can still be made in this manner.

The temporary regulations now also provide that the Secretary of the Treasury will establish an “auto Account” if, based on the information available, the child won’t turn 18 by the end of the year when the Account is opened, has been issued a Social Security Number, and no other election to establish an initial Account has been made.

As noted above, on October 1, 2026, the Secretary of the Treasury elected to establish an auto account for over 60 million American children, and similar periodic elections will be made in the future for all eligible individuals. Notably, the temporary regulations will treat all Accounts established after October 1, 2026—regardless of who made the election to establish them—as auto Accounts. Auto Accounts may only accept qualified general contributions (as defined by Code Section 530A(f)) and the government’s pilot program contribution (Code Section 6434) during the growth period.

#### *How do you claim an auto Account?*

A child’s guardian or legal custodian, or the Account beneficiary if over 18, can file a claim for an auto Account via application or web page made available by the Secretary (e.g., official Account app). Auto Accounts claimed during the Account beneficiary’s growth period will result in the *entire* balance being transferred via a qualified rollover contribution to a claimed initial Account or to a rollover Account. The qualified rollover contribution will not take place until the receiving Account has been established—which, for claimed initial Accounts—will require activation.

#### *How do you activate an Account?*

Account activation is required to establish an initial Account. Pursuant to the temporary regulations, if you elect to open an Account for your child using Form 4547 or the [trumpaccounts.gov](https://trumpaccounts.gov), you must follow the trustee’s instructions to activate it (e.g., sign the Account agreement). The Secretary is generally deemed to have activated auto Accounts, but to activate a claimed initial Account, it must be activated pursuant to the trustee’s instructions after the Account is established.

#### **What Do the Temporary Regulations Mean for Employers?**

Employers who have established a Trump Account Contribution Program (“TACP”) pursuant to Code Section 128 will need to ensure that all contributions are routed to a “claimed initial Account” because auto Accounts can only accept qualified general contributions and the government’s pilot program contributions. The proposed regulations issued under Code Section 128 were issued before the concept of auto Accounts was announced (at least publicly). It is unclear how auto Accounts will affect employers’ responsibilities when it comes to verifying an employee’s or employee’s dependent’s Account, and what measures (if any) will be required of employers and/or trustees to ensure that auto Accounts do not inadvertently accept Code Section 128 contributions. Verification of Accounts was already a topic of concern for commenters on the proposed Code Section 128 regulations, so this is something to look for when those regulations are finalized. Employers are also likely to face additional questions from employees regarding how to claim and activate Accounts so that contributions can be made to their or their dependent’s Accounts via a TACP. So, employers will

need to ensure that they (and their service providers) are prepared to assist employees with this process.

If you have questions regarding Accounts and whether they are a good fit for your company's benefits package, please contact your Boutwell Fay attorney. Additional information regarding Accounts can also be found in our earlier articles:

- [Joining the Party or Sitting on the Sidelines? What Employers Need to Know About Trump Accounts](#)
- [Trump Accounts: At least 5 Million Reasons Why Employers Should be Ready for Questions](#)
- [Trump Accounts are Exempt from ERISA: Should Employers Celebrate by Making Contributions?](#)
- [Third Set is a Charm? Proposed Regulations Regarding Employer Contributions to Trump Accounts](#)
- [Trump Accounts: Proposed Regulations Regarding Eligible Investments](#)