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Invested in America

January 29, 2026

VIA ELECTRONIC SUBMISSION

Internal Revenue Service
Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes)
Attn: CC:PA:01:PR (Notice 2025-68)
Room 5503
P.O. Box 7604
Ben Franklin Station
Washington, D.C. 20044

Re: Treasury/IRS Notice 2025-68

To Whom It May Concern:

The Securities Industry Financial Markets Association ("SIFMA")[1] supports the goal of facilitating long-term investment savings and believes that tax-advantaged savings programs, such as Trump accounts, are vital tools that help savers build wealth. Helping Americans build long-term savings, including for retirement, is among the most important roles of the U.S. capital markets. Especially through the power of compound interest, Trump accounts can jumpstart the financial future for American children and provide opportunities for important financial education. Trump accounts will provide important opportunities to foster saving and investment in capital markets starting in childhood to build financial foundations for a lifetime.

We appreciate the guidance provided in Notice 2025-68 regarding section 530A Trump accounts and the opportunity to submit comments on certain rules that Treasury and the IRS are considering proposing as part of this framework. As Treasury works to provide guidance on Trump accounts, we support practical, workable solutions for operationalizing these accounts and look forward to working with Treasury and other agencies and stakeholders toward achieving this goal.

[1]SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

I. Executive Summary

Our suggestions aim to simplify the establishment of Trump accounts, clarify questions regarding contributions and eligible investments, and make Trump accounts consistent with similar existing tax-advantaged savings vehicles where appropriate.

We make multiple recommendations to Treasury as our members work towards implementing these accounts:

- Add a note to trumpaccounts.gov indicating when the page was last updated so that we can be sure not to miss any changes or new information;
- Edit the penalty of perjury section of Form 4547 to cover all eligibility criteria, including legal status;
- Clarify that rollover trustees are able to rely on information from the financial agent with regard to eligibility status of the beneficiary and the designation of the Authorized Individual;
- Provide flexibility with regard to Rollover Trustees setting up policies and procedures to address changes in the Authorized Individual;
- Issue sample governing instrument language for these accounts, whether set up as trust or custody accounts;
- Confirm that these accounts are not considered "plans" under IRC 4975 or ERISA;
- Allow trustees to adopt reasonable policies and procedures for determining how to address excess contributions;
- Allow an account to be rolled over from the Financial Agent even if the account is unfunded;
- Clarify certain general funding contribution aspects;
- Establish a safe harbor that carves out employer contributions to Trump accounts;
- Create a safe harbor and grace period for addressing investments options that become ineligible;
- Clarify the taxation of distributions;
- Ensure that reporting and disclosure are as similar as possible to current requirements for similar accounts; and
- Create a self-correction program.

II. Establishment of these accounts can be further simplified.

A. Form 4547 and Instructions

Form 4547 has all the necessary information to create the accounts. We recommend a small edit to the penalty of perjury section so that the authorized individual/responsible party ("Authorized Individual") would also attest that they and the eligible child meet each of the requirements of the statute for electing both to establish the account and also for receiving a Pilot Program Contribution (including U.S. citizenship requirements where applicable). This would aid trustees and custodians in being able to rely on the fact that Treasury established the account. This

should be sufficient to determine that the account was properly established and that the eligible person/account beneficiary ("Account Beneficiary") has the right to the contributions in it.

B. Eligible and Authorized Individuals

Rollover trustees and custodians ("Rollover Trustees") should be able to rely on Treasury's determination that the Authorized Individual and Account Beneficiary" meet all statutory and regulatory eligibility requirements. Rollover Trustees should also be able to rely on information transmitted from the financial agent serving as the initial trustee or custodian (the "Initial Trustee" and together with Rollover Trustees, "Trustees") or from a transferring Rollover Trustee that a Trump account's designated Authorized Individual has the authority to control the account and that the Account Beneficiary was eligible for the account and any contributions received. Rollover Trustees should not need to perform their own due diligence on these points.

The notice requested comments on potential guidance needed for selecting a new Authorized Individual (for example, if the custody or guardianship of an Account Beneficiary changes or in other circumstances). We note that state law and/or court orders will govern certain situations, such as changes in custody and guardianship of a minor, and will determine the appropriate party to be responsible for the minor's assets. Rollover Trustees already have robust policies and procedures for addressing these circumstances with regard to accounts for minors and should continue to have flexibility to deal with differing scenarios through existing processes and customer agreements, consistent with applicable law.

We recommend Treasury not issue guidance establishing prescriptive rules in this area that may conflict with outcomes under state law and existing policies and procedures. We recommend that any guidance permits Rollover Trustees to establish reasonable policies and procedures to handle situations where a change in the Authorized Individual may be required.

C. Written Governing Instruments

The notice says that sample language for written governing instruments will be issued, which will be helpful for establishing these accounts. We recommend sample language for both custodial and trustee arrangements, similar to Forms 5305 and 5305A for IRAs, since our members may create these accounts as either.

D. Status under Code section 4975 and ERISA

We recommend that Treasury confirm that Trump accounts are not "plans" for purposes of the prohibited transaction rules under Code section 4975, and work with DOL to confirm that, regardless of the status of an employer's "Trump account contribution plan" (discussed below), a Trump account itself is not a "plan" subject to the Employee Retirement Income Security Act of 1974 ("ERISA").

When Congress amended the Code to add Code section 530A and to amend related sections, it did not amend the definition of "plan" under Code section 4975(e)(1) to expressly add Trump

accounts to the qualified accounts that are subject to the Code section 4975 prohibited transaction rules. We note that Congress has previously amended Code section 4975 to include additional "plans," including most recently in 2003 when it added health savings accounts described in Code section 223(d).

This indicates Congressional intent to exclude Trump accounts from Code section 4975 but note that Code section 4975(e)(1)(G) includes as a "plan" any "trust, plan, account, or annuity which, at any time, has been determined by the Secretary to be described in any preceding subparagraph of this paragraph." We are not aware of other circumstances in which the Secretary has made this determination. We recommend that Treasury state that it has determined that Trump accounts are not described in any of the categories of "plans" described in Code section 4975 for purposes of the prohibited transaction rules.

Additionally, under ERISA section 3, for a plan to be subject to ERISA, it must be "established and maintained" by an employer for the benefit of its employees. We note that, while employers can contribute to a Trump account, they are not able to establish or maintain such accounts—only an Authorized Individual with specific relationships to the Account Beneficiary can establish a Trump account. Moreover, employers cannot select investment options or Rollover Trustees for such accounts. Additionally, Trump accounts commingle contributions from multiple sources made for the Account Beneficiary. As such, regardless of whether an employer's Trump account contribution program is subject to ERISA, the Trump account itself and any employer contributions received, should not be subject to ERISA's requirements. Concluding otherwise could require employer contributions to be held in a separate trust, which could conflict with the rule that an Account Beneficiary may only have one funded Trump account at a time. Moreover, ERISA's applicability could expose Rollover Trustees to unwarranted private litigation risks. We appreciate that issuing guidance on ERISA's applicability is generally within the Department of Labor's purview and are happy to work with Treasury to address these concerns appropriately.

III. Contributions guidance raises additional questions.

A. Excess Contributions

There is considerable complexity around tracking and processing contributions from multiple sources and the requirements for Rollover Trustees to have procedures to prevent a contribution from exceeding annual limits. For example, if contributions come from multiple sources relatively close in time, Rollover Trustees may need to differentiate among contributions to determine whether a limit has been reached and may need to determine which contributions might need to be returned to the contributor or otherwise distributed from the account as an excess contribution.

We further note that returning employer contributions may create additional complications and challenges than returning other contributions. We appreciate the clarification that Rollover Trustees can rely on information from the employer, unless the Rollover Trustee has actual knowledge to the contrary in the context of whether an employer contribution is excludible from

the employee's gross income. We recommend clarification that Rollover Trustees can rely on employer information that an employer's contribution does not exceed the $2,500 per employee contribution limit. Otherwise, Rollover Trustees may have challenges making this determination, for example, where one employer employs both parents of an Account Beneficiary.

We recommend that Treasury clarify that Rollover Trustees have flexibility to adopt reasonable policies and procedures for determining whether a contribution limit has been reached, determining which contributions to distribute or return, determining how to process the distribution or return, and for processing the excess contributions within a reasonable period of time, rather than prescribing a specific procedure to use a general account of a trustee as outlined in Q&A C-1 in the Notice.[2]

In addition, trustees will need guidance on how to report the return of a contribution. To keep Trump accounts consistent with traditional IRAs, reporting could be accomplished using Trump account distribution codes on the Form 1099-R.

B. Rollover Contributions

While we understand that a Trump account must first be established with the Initial Trustee before a Trump account can be opened and funded with a Rollover Trustee, we recommend that Treasury clarify that the initial Trump account does not need to be funded to be rolled over to a Rollover Trustee. This will create a more efficient process for Authorized Individuals who want to open an account with their preferred financial services provider, particularly where the Account Beneficiary is not eligible for pilot program or general funding contributions to the initial Trump account.

C. General Funding Contributions

To help ensure their processes align with Treasury's process and to address questions from their clients, our members would like to understand the process surrounding general funding contributions. We posit that Treasury can rely on the existing ACH system to facilitate the movement of general funding contributions from its account to individual Trump accounts, relying on monthly qualified rollover contribution reports, which would include the information that Treasury would need to execute a transfer directly to a rollover Trump account. Using this system would help prevent errors, delays, and possible fraud.

We also recommend that guidance clarify whether a state or donor can place additional restrictions on the distribution of general funding contributions (and their earnings) beyond the statutory qualified classes. For example, the guidance appears to prohibit further restrictions, but

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[2] We do not believe that an omnibus account system like the one proposed in the Notice would either effectively or efficiently address the issue of excess contributions. Such a system would (1) require daily reconciliation; (2) create opportunities for error; and (3) increase the likelihood of delays. Standing up an omnibus account system would also require significant resources. Furthermore, such a system would not be compatible with Automated Customer Account Transfer Service (ACATS). This would create unnecessary friction in trustee-to-trustee transfers.

recent press announcements indicate that contributions will be provided only for Account Beneficiaries up to a certain age. Since our members will work with their clients to help them determine eligibility for certain general funding contributions, we would like to understand what types of limits these contributions may have. In addition, will there be a claim period set for each contribution, and will the giving entity provide instructions about whether contributions will go only to existing accounts or if new accounts can be established to become eligible? If funds will only be deposited into existing accounts, some eligible individuals may not benefit simply from not having an account open in time. We would recommend clarity and consistency on these issues.

D. Employer Contributions

Separately from the ERISA status of Trump accounts, we appreciate that Treasury and DOL anticipate guidance to aid employers in structuring Trump account contribution programs to ensure that they are not subject to ERISA. Employers have benefited from such guidance in the past, particularly in the context of safe harbors that have been established for HSAs and Code section 403(b) plans. We recommend that guidance on Trump accounts establish a safe harbor that carves out employer contributions to Trump accounts from being subject to ERISA, similar to guidance for HSAs and 403(b) plans.[3]

Additionally, to aid Rollover Trustees in tracking contribution sources for purposes of applicable limits, we recommend that employer contributions be defined to include employer pre-tax contributions and employee pre-tax payroll contributions.

IV. Treasury should create a safe harbor and grace period for eligible investments.

The notice also requested comments on a potential safe harbor regarding reasonable ongoing evaluation procedures and how to handle investments that become ineligible. We support such a safe harbor and recommend that Treasury provide a grace period to move to an alternative eligible investment option or to bring the investment option into compliance if one becomes ineligible.

We also recommend that language be included in the sample written governing instruments on handling this situation to avoid confusion, as well as to allow for investment of account balances in a new eligible investment by default, without requiring further consent from the Authorized Individual. We also recommend that Treasury coordinate with the Securities and Exchange Commission ("SEC") and Financial Industry Regulatory Authority ("FINRA") to ensure that the determination of one or more investments, for purposes of setting a default when changing investments due to ineligibility or providing a choice of investments to responsible parties, will not be considered investment advice or an exercise of discretion on the part of the Rollover Trustee.

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[3] See Field Assistance Bulletins 2004-01 and 2007-02.

Sixty days is a reasonable time period to provide an opportunity for a fund to correct situations where an investment option becomes ineligible, and an additional 60 days would be reasonable for Rollover Trustees to transition assets to a new eligible investment if the fund fails to make necessary adjustments.

We recommend clarification that transaction-based fees that are not part of the fund's annual operating expenses, such as sales charges, loads, and redemption fees, and account-level fees, such as custodial fees, are permitted and are not included in annual expenses for purposes of determining whether a fund qualifies as an eligible investment.

We also recommend guidance clarifying that Rollover Trustees may, pursuant to their client agreements, convert account balances to cash to facilitate distributions, rollovers/transfers, if applicable, and paying account, investment, and other fees.

V. Clarify status of Trump accounts after the growth period

The notice clarified that a Trump account continues to be a Trump account after the growth period due to the prohibition against receiving SEP and SIMPLE contributions. We further understand that after the growth period, the distribution rules for Trump accounts are the same as those for traditional IRAs, except for the allocation of basis.[4] We recommend confirmation that other than the rules regarding SEP and SIMPLE contributions and allocation of basis, Trump accounts are subject to the same rules under Code section 408 as traditional IRAs.

Settling these questions would help our members operationalize these accounts. While it might not be an issue until the growth period ends, some of these accounts could have a growth period that ends in just a year or two, since the accounts can be created by anyone under age 18, and the growth period ends January 1 of the year they turn 18.

On a related point, we recommend that Treasury clarify that an automatic rollover to a traditional IRA can occur at any time after the growth period ends, and not just on January 1 of the year the Account Beneficiary turns 18. If the automatic transfer can only happen on the date the growth period ends, the Account Beneficiary may not have attained the age of majority, which would create additional complexity under state law regulation of accounts for minors. (Note that in certain states, the age of majority for financial accounts is 19 or 21.) We recommend that written governing instruments (including model language) should be permitted (but not required) to include provisions that allow for automatic transfer to a traditional IRA at any time after the end of the growth period (i.e. at age 18 or age of majority in a particular state).

Additional comments regarding Trump accounts after the growth period are included in Section VIII below.

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[4] We recognize that the statutory language calls for a tracking of basis for certain contributions to Trump accounts. Treasury should work to provide flexibility for rollover trustees with regard to tracking of basis since the Authorized Individual is in the best position to track basis.

VI. Taxation of distributions should be clarified and consistent with current IRA rules where appropriate.

We recommend clarification on the taxation of distributions. For example, will distributions after the growth period be subject to the Kiddie tax – i.e. unearned income taxed at the parents' marginal rate. Also, will the accounts be subject to the 6% excise tax similar to the return of excess contribution amounts for an ordinary IRA?

We also recommend that Treasury ensure any communications, including Q&A on trumpaccounts.gov, be consistent with the statute.

We recommend that taxation of Trump account distributions be consistent with existing IRA rules to avoid complexity and delays for building Rollover Trustees' systems. In addition, we recommend that Treasury clarify that for the post-growth period, Rollover Trustees are not responsible for verification of use of withdrawals and can rely on representations from Authorized Individuals and Account Beneficiaries.

We note that the timeframe to transfer Trump account balances to an ABLE account is very narrow, given that under general rules, ABLE accounts can be established before a disabled individual is age 46. We recommend Treasury work with Congress to make an adjustment in the time allowed for moving funds into an ABLE account.

VII. Reporting and disclosure should be as similar as possible to current requirements for similar accounts.

The notice states that disclosure requirements to Account Beneficiaries generally will be similar to disclosure requirements for IRAs under Treas. Reg. section 1.408-6 and requested comments. We recommend that disclosure requirements for Account Beneficiaries be similar to those required for IRAs. However, we note that the seven-day revocation period for IRAs and many of the specific disclosure requirements under Treas. Reg. 1.408-6 are seemingly inapplicable to Trump accounts. Accordingly, we recommend eliminating the seven-day revocation period for Trump accounts and simplify the disclosure statement requirements to conform to Trump account rules.

We recommend Treasury publish a version of Form 5498 for Trump accounts. Among other things, we recommend this form include separate fields for exempt contributions, employer contributions, other contributions, and aggregate contributions. We recommend it also provide detailed instructions for filling out such a form in Publication 1220. We recommend Rollover Trustees be able to fulfil their reporting obligations by providing copies of the forms to Treasury and the Authorized Individual on behalf of the Account Beneficiary. For the time being, we recommend Rollover Trustees be able to submit this information in .csv format through the existing Information Returns Intake System (IRIS).

The notice does not provide detail on the reporting between Trustees when there is a mid-year rollover. As described in Q&A F-4, the receiving entity would need to have year-to-date

information from the transferring Trustee to be able to track basis and monitor contribution limits. We recommend that guidance provide a safe harbor time-period for what constitutes a "prompt" report by the transferring Trustee. In addition, we recommend the guidance states that a receiving Trustee may hold amounts received in an uninvested general account for a reasonable time to confirm all necessary information before accepting the funds and account transfer and provide relief from reporting penalties if the necessary information is not received from the transferring Trustee. With regard to trailing dividends, we recommend Treasury create a de minimis standard for reporting a trailing dividend to ease the burden of handling the de minimis amounts.

Finally, Q&A F-4 indicates that no particular form or format for rollover trustee-to-trustee reporting is required. However, we recommend a uniform trustee-to-trustee transfer format, as contemplated in section 324 of the SECURE Act,[5] that considers information necessary for transfers of Trump accounts, which could potentially address some of the operational complexities and help to make sure the appropriate information is passed between Trustees.

We also strongly support and recommend that reporting and disclosures be permitted to be provided electronically by any means (email, text, online portal, etc.) so long as the Authorized Individual has provided his or her contact information or opened an online portal with the Rollover Trustee.

VIII. Coordination with IRA Rules would ease implementation of these accounts.

We recommend that Treasury confirm that Rollover Trustees may, but are not required to, transfer a Trump account to a traditional IRA after the end of the growth period. Our members are concerned about effectuating an "automatic transfer" at the end of the growth period to a traditional IRA due to the intersection with other federal and state laws with regard to setting up a new account with an individual who has not met the age of majority and without the individual's signature.

If a Trump account is not transferred to a traditional IRA after the end of the growth period, we recommend Treasury confirm that, consistent with Code section 530A(i)(3), the Rollover Trustee no longer has responsibility for tracking account basis and the taxpayer is solely responsible for calculating and reporting net income subject to taxes, and a penalty if applicable, on any distributions. Reverting basis tracking to the taxpayer after the end of the growth period is consistent with current IRA rules. In addition, there is an ongoing cost associated with tracking tax basis and removing this requirement once the account owner turns 18 may assist in reducing the potential expense.

We recommend that written governing instruments be permitted to include provisions that allow for automatic transfer to a traditional IRA at any time after the end of the growth period (more specifically, at age 18 or age of majority in a particular state) to eliminate the complexity

[5] Public Law 117-328.

mentioned above. We recommend clarification that after the end of the growth period, and a Trump account is transferred to a traditional IRA, all special Trump account rules (such as no contributions from SEP or SIMPLE plans permitted and basis tracking requirements) no longer apply and the traditional IRA is governed solely by traditional IRA requirements.

We also note that additional questions and complexity arise with respect to Account Beneficiaries under age 18 at the end of a growth period, such as significant complexity restricting distributions to a certain date and then allowing distributions for any or limited purposes. For example, how will discrepancies with state UTMA laws[6] regarding account opening be handled? If provisional accounts are not used, there would be situations where a custodial IRA account would be required for a short period of time before an Account Beneficiary reaches age 18 and is able to open their own IRA. We recommend that Treasury work with Congress to note that the growth period does not end until the Account Beneficiary reaches age of majority. This will ensure consistency across similar minor accounts.

Finally, we recommend confirmation that after the growth period, the terms of the written governing instrument may provide for a different default investment option after automatic transfer to the traditional IRA, unless directed otherwise by the Account Beneficiary.

IX. Additional Comments

We recommend Treasury coordinate with regulatory partners, such as SEC, FINRA, DOL, and banking regulators to ensure that there is consistency in rules and guidance for SIFMA members.

Finally, as a general matter, we recommend guidance implementing a simple self-correction program for Trump account trustees/custodians or responsible parties to correct good faith errors in a reasonable manner and time period to further incentivize the offering of and investing in Trump accounts.

We look forward to working with Treasury as they consider our comments regarding Notice 2025-68. Please do not hesitate to contact me at lbleier@sifma.org or (202) 962-7329 or Nicole Swift at nswift@sifma.org or (202) 962-7317 if you have any questions.

Sincerely,

Lisa J. Bleier
Head – Wealth Management, Retirement and State Government Affairs

[6] See FINRA Regulatory Notice 20-07.