



Tax Treatments of Trump Accounts

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MARCH 4, 2026

Type of Contribution	Tax Treatment (Contribution)	Withdrawal Tax (Principal)	Withdrawal Tax (Earnings)	Subject to \$5,000 Annual Cap?
Individual (Parents/Family/Friends)	After-Tax	Tax-Free (Has "Basis")	Ordinary Income Tax	Yes
Employer Direct	Pre-Tax	Ordinary Income Tax	Ordinary Income Tax	Yes (\$2,500 shared sub-cap)
Employee Deferral	Pre-Tax	Ordinary Income Tax	Ordinary Income Tax	Yes (\$2,500 shared sub-cap)
Government Seed	Pre-Tax	Ordinary Income Tax	Ordinary Income Tax	No
Charitable/State Governments	Tax-Free Grant	Ordinary Income Tax	Ordinary Income Tax	No