PENSION & WEALTH MANAGEMENT ADVISORS
IMPROVING FINANCIAL SECURITY

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TRUMP ACCOUNTS

The Trump Accounts, officially called the Money Account for Growth and Advancement (MAGA Account), are tax-advantaged savings accounts designed to give children a financial head start. They are part of the 2025 "Big Beautiful Bill" and are automatically opened for eligible children born between January 1, 2025, and December 31, 2028.

Eligibility

- Child must be a U.S. citizen or resident with a Social Security Number (SSN).
- At least one parent (or both, if married) must also have valid SSNs.
- Automatic enrollment: No action is required by parents to receive the federal seed deposit.

Contributions & Funding

- $1,000 federal seed deposit per eligible child, deposited automatically.

Annual Contribution Limit

- Up to $5,000/year (after-tax dollars) from parents, relatives, or employers.
- Employer contributions capped at $2,500/year.
- Indexed for inflation.
- Tax-exempt organizations [501(c)(3)] may contribute unlimited amounts.
- No rollovers from other accounts (e.g., 529s, Roth IRAs) are currently allowed.

Investment Options

- Accounts will be administered by private financial institutions (e.g., Fidelity, Schwab—final list pending).
- Investment options will likely include:
  - Low-cost, diversified index funds
  - Auto-invest portfolios
  - Target-date funds
  - Custom portfolios within guardrails
- Designed to mirror the simplicity and structure of 401(k) or 529 plans.

Tax Treatment

- Contributions are made with after-tax dollars.
- Earnings grow tax-deferred.

Investment advisory services offered through Pension & Wealth Management Advisors, Inc., which is registered with the U.S. Securities and Exchange Commission as an investment adviser. Certain of the firm's current personnel, including prior firm ownership and management, have been advising firm clients for over 35 years, including under previous firm names. Principal Office: 800 South Street, Suite 160, Waltham, MA.

Withdrawals

- For qualified purposes: taxed at long-term capital gains rates.
- For non-qualified purposes before age 30: taxed as ordinary income + 10% penalty.

Access Timeline

AGE	ACCESS RULES
18	Withdraw up to 50% of the account for qualified purposes
25	Full access for qualified purposes (e.g., education, home purchase, business)
30	Account becomes fully unrestricted—funds can be used for any purpose
31	Full distribution required; taxed at long-term capital gains on growth

Example

A family contributing $5,000/year from birth to age 18 (plus the $1,000 seed) with a 7% annual return could see the account grow to $250,000+ by age 31.

Summary

The Trump Accounts are not a replacement for college savings or retirement plans, but they offer a unique, flexible, and tax-advantaged way to build wealth from birth. With automatic enrollment, early funding, and long-term growth potential, they aim to reshape how families plan for their children's futures.

Pension & Wealth Management Advisors does not render advice on tax or legal matters. You should discuss any tax or legal matters with the appropriate professional.

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