

## IRS Proposes Rules on Trump Accounts for Children

On March 9, 2026, the IRS released two proposed rules regarding Trump Accounts. Created by the One Big Beautiful Bill Act, Trump Accounts are a new type of tax-favored savings account for children under the age of 18 that will be available later in 2026. [One proposed rule](#) addresses the federal government's \$1,000 pilot program, while the [other proposed rule](#) includes general requirements for Trump Accounts.

Contributions to Trump Accounts may start **July 4, 2026**, and can be made by anyone. Under the pilot program, children born between 2025 and 2028 may receive a special \$1,000 contribution to their Trump Accounts from the federal government if certain requirements are met.

Contributions are subject to an annual limit of \$5,000 (subject to cost-of-living adjustments after 2027), although certain types of contributions are not counted toward this limit. The accounts are treated similarly to traditional IRAs for tax purposes, with special rules

applying during a "growth period" that ends on Dec. 31 of the year before the calendar year in which the child reaches age 18.

Employers may contribute to the Trump Account of an employee or an employee's dependent pursuant to a Trump Account Contribution Program. Contributions are limited to \$2,500 per employee per year, subject to cost-of-living adjustments after 2027. Employers can also allow employees to make salary reduction contributions to their dependents' Trump Accounts under a Section 125 cafeteria plan.

Taxpayers will use a new IRS form ([Form 4547, Trump Account Election\(s\)](#)) to establish Trump Accounts for eligible children. This same form is used to make an election to participate in the federal government's \$1,000 pilot program.

For more information on Trump Accounts, visit [trumpaccounts.gov](http://trumpaccounts.gov) and see [Form 4547 instructions](#).

## Employers Should Prepare for 2026 RxDC Reporting

Group health plans and health insurance issuers must annually submit detailed information on prescription drug and health care spending to the Centers for Medicare and Medicaid Services (CMS). This reporting is referred to as the [prescription drug data collection](#) (RxDC report). The next RxDC report is due by **June 1, 2026**, covering data for 2025.

Most employers contract with third parties, such as issuers, third-party administrators (TPAs) and pharmacy benefit managers (PBMs), to submit RxDC reports on behalf of their health plans. Employers may work with multiple third parties to complete the RxDC report for their health plans. A health plan's submission is considered complete if CMS receives all required files, regardless of who submits them.

If an issuer is required by written agreement to submit the RxDC report for a fully insured health plan but fails to do so, then the issuer (not the plan) violates the

reporting requirements. However, the RxDC reporting liability stays with a self-insured health plan, even if a third party contractually agrees to submit the required information.

Employers should start reaching out to their issuers, TPAs or PBMs, as applicable, to confirm that they will submit the RxDC files for their health plans by June 1, 2026. Employers should also confirm that their written agreements with these third parties address this reporting responsibility.

Also, employers will likely need to provide their third-party vendors with plan-specific information, such as enrollment and premium data, to complete their RxDC submission. Employers should watch for these vendor surveys and promptly provide the requested information.