

1SUPPORTING STATEMENT

Internal Revenue Service

Trump Accounts

OMB Control Number **1545-2336**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The Working Families Tax Cuts, Public Law 119-21, allows parents, guardians and other authorized individuals to establish a new type of individual retirement account for their children, called Trump Accounts. The account is for a child who has not turned 18 before the end of the calendar year in which the election is made and has a valid Social Security number.

IRC Section 530A provides for the establishment of a Trump account for an eligible individual. Section 530A(b)(1)(A)(i) provides that a Trump account must initially be created or organized by the Secretary of the Treasury for the exclusive benefit of an eligible individual or such eligible individual's beneficiaries. Section 530A(b)(1)(B) provides that an account must be designated as a Trump account at the time of its establishment in such manner as the Secretary shall prescribe. Section 530A(b)(2)(C)(i) authorizes the Secretary to make an election for an individual to be an eligible individual for the establishment of a Trump account.

The collections of information created by in these temporary regulations are required to implement automatic enrollment of children into Trump accounts and enabling those children to receive qualified general contributions, including qualified stock contributions.

The two new collections of information in these temporary regulations are reporting, recordkeeping, and third-party disclosures contained in sections 26 CFR 1.530A-1T and 1.530A-7T.

The account features a pilot program contribution of \$1,000 for children born between Jan. 1, 2025, and Dec. 31, 2028, and who are U.S. citizens with a valid Social Security number.

2. USE OF DATA

The information will be used by the IRS to administer and comply with gathering the information necessary to validate eligibility, open a Trump account with a financial institution in compliance with the Know Your Customer requirements¹, and, if applicable, make a pilot program contribution. Form 8879-TA will be used to ensure that electronically filed Forms 4547 are properly and validly signed.

This information allows responsible parties to claim an account, as well as opt-out of receiving qualified stock contributions. Additionally, as part of the written governing instruments for the accounts, trustees need to inform the account beneficiaries, or responsible parties, of events such as stock delisting or the generation of assets, such as cash proceeds from a stock dividend, that may not be kept in a Trump account. IRS uses this information for tax compliance purposes, as well as for establishing and closing auto accounts.

¹ See Currency and Foreign Transactions Reporting Act of 1970, 31 U.S.C 5311 et. seq/. as amended by the USA PATRIOT Act of 2001 and other legislation, which legislative framework is commonly referred to as the "Bank Secrecy Act," and related regulations, including 31 CFR § 1010.220, 31 CFR § 1010.230, and 31 CFR § 1010.312.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Form 4547 can be filed electronically. Filers also have the option to make their election through their secure Online Account.

IRS and Treasury plan to allow electronic filing for the reporting requirements. IRS has no plans to offer electronic filing for the recordkeeping and/or third-party disclosure requirements. Trustees may administer the disclosure and recordkeeping requirements electronically or otherwise

4. EFFORTS TO IDENTIFY DUPLICATION

The information obtained through this collection is unique and is not already available for use or adaptation from another source.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

Small businesses should not be disadvantaged as the form has been structured to request the least amount of information while still satisfying the requirements of the statute and the needs of the IRS.

6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES

Consequences of less frequent collection include account beneficiaries, not being informed of delisting and stock reinvestments and not being able to claim accounts.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)

There are no special circumstances requiring data collection to be inconsistent with guidelines in 5 CFR 1320.5(d)(2).

8. CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS

Due to the extraordinary circumstances and statutory deadlines for implementing sections 70204 of Public Law 119-21, commonly known as the One, Big, Beautiful Bill Act (OBBBA), the Department of Treasury and IRS request emergency processing of this information collection. Given the inability to seek public comment during such a short timeframe, IRS also respectfully requests a waiver from the requirement to publish a notice in the Federal Register seeking public comment during the period of Office of Management and Budget review. However, public comments will be solicited in conjunction with the subsequent extension of the approval to collect this information.

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, tax returns and tax return information are confidential as required by 26 U.S.C. 6103. Additionally, Form 4547 includes a consent to disclose the collected information with the Department of Treasury and their agent(s) to create and maintain a Trump account(s).

11. JUSTIFICATION OF SENSITIVE QUESTIONS

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the “Individual Master file (IMF)” systems, and a Privacy Act System of Records notice (SORN) has been issued for these systems under IRS 22.062 – Electronic Filing Records; IRS 24.030 – Customer Account Data Engine (CADE) Individual Master File; IRS 24.046 - CADE Business Master File (BMF); IRS 34.037 - IRS Audit Trail and Security Records System. The Internal Revenue Service PIA’s can be found at <https://www.irs.gov/uac/Privacy-Impact-Assessments-PIA>.

Title 26 U.S.C. 6109 requires inclusion of identifying numbers in returns, statements, or other documents for securing proper identification of persons required to make such returns, statements, or documents and is the authority for social security numbers (SSNs) in IRS systems.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

IRS estimates the total universe of respondents is approximately 64,000,000 account beneficiaries and 4,600 trustees. Estimated burden varies depending upon the specific collection activity and may not affect the entire universe of respondents. The estimated burden associated with each requirement is reflected below.

The burden estimate is as follows:

Authority / Form	Collection Type	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
Form 4547	Election to establish and to make an election for a \$1,000 pilot program contribution	45,000,000	1	45,000,000	1.21 hr.	54,450,000
Form 8879-TA	Declaration document and signature authorization for Form 4547 filed by an electronic return originator (ERO)	40,000,000	1	40,000,000	0.26 min.	10,400,000
26 CFR 1.530A-1T(f)	Claiming an auto account	63,360,000	1	63,360,000	6 minutes	6,336,000
26 CFR 1.530A-7T(d)(5), (d)(6)	Beneficiary disclosure when stock held in a Trump account is either de-listed from a national securities exchange or generates property that is not successor qualified stock	5	27,717	138,585	.016 hr. (1 minute) ¹	2,310
	Totals	148,360,005		148,498,585		71,188,310

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The estimated annualized cost to the Federal Government is based on a model that considers the following three factors for each information product: aggregate labor costs for development, including annualized start-up expenses, operating and maintenance expenses, and distribution of the product that collects the information.

¹ Sending the disclosures is anticipated to be done electronically and be minimal burden on the trustee.

The government computes cost using a multi-step process. First, the government creates a weighted factor for the level of effort to create each information collection product based on variables such as complexity, number of pages, type of product and frequency of revision. Second, the total costs associated with developing the product such as labor cost, and operating expenses associated with the downstream impact such as support functions, are added together to obtain the aggregated total cost. Then, the aggregated total cost and factor are multiplied together to obtain the aggregated cost per product. Lastly, the aggregated cost per product is added to the cost of shipping and printing each product to IRS offices, National Distribution Center, libraries, and other outlets. The result is the Federal Government estimated annualized cost per product.

The federal government estimated annualized cost is as follows:

Product	Aggregate Cost per Product (factor applied)		Printing and Distribution		Government Cost Estimate per Product
Form 4547	\$15,048	+	0	=	\$15,048
Instructions- 4547	\$17,100	+	0	=	\$17,100
Form 8879-TA	\$15,048	+	0	=	\$15,048
Grand Total	\$47,196	+	0	=	\$47,196
Table costs are based on actuals obtained from IRS Chief Financial Office and Media and Publications					

15. REASONS FOR CHANGE IN BURDEN

IRS request emergency processing of this information collection request to include the Temporary Regulations for the Trump Accounts (1.530A-1T and 1.530A-7T).

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

There are no plans for tabulation, statistical analysis and publication.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

The IRS believes that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the forms expire as of the expiration date. Taxpayers are not likely to be aware that the IRS intends to request renewal of the OMB approval and obtain a new expiration date before the old one expires.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement.