

# \$6 billion Dell investment in ‘Trump accounts’ to provide 25 million kids with free money: Here’s how to claim it

## Key Points

- Michael and Susan Dell announced on Giving Tuesday that they have committed \$6.25 billion to fund Trump accounts for some 25 million American children.
- The move is intended to expand access to seed money for children too old to qualify for the initial deposit of \$1,000 from the federal government.
- The grant could encourage lower-income households to enroll and benefit from the new savings plans.

Tech CEO [Michael Dell](#) and his wife Susan pledged Tuesday to contribute [\\$6.25 billion](#) to so-called [Trump accounts](#), a type of tax-advantaged savings account for children.

The commitment will expand access to seed money for eligible children too old to qualify for the \$1,000 grants that are set to come from the [Department of the Treasury](#).

With the additional funds, some 25 million American children born before Jan. 1, 2025, who are 10 or under could each receive a \$250 grant in a Trump account, according to Invest America, a nonprofit advocacy group partnered with the Dells.

“It’s designed to help families feel supported from the start and encourage them to keep saving as their children grow,” Michael Dell, founder and CEO of [Dell Technologies](#)

To qualify for the \$250 Dell contribution, children must live in a zip code where the median income is \$150,000 or less.

Trump accounts are not yet available. But starting on July 4, 2026, parents and others will be able to contribute up to \$5,000 a year in after-tax dollars up until the year before the beneficiary turns 18.

A draft IRS form released Tuesday and the [White House website](#) instruct families make elections via Form 4547 to open a Trump account and to receive the \$1,000 contribution. By mid-2026, the election can also be made via [Trumpaccounts.gov](#), according to the IRS.

Withdrawals are not permitted until the beneficiary turns 18. At that point, the assets will be rolled into an individual retirement account. The beneficiary can use the funds for education

expenses, job training, the down payment on a first home, or as capital to start a small business. They can also opt to leave the funds invested for retirement.

From a tax perspective, Trump accounts would function like an [IRA](#). Earnings grow tax-deferred, and since Trump accounts include a mix of after-tax contributions, initial seed money and investment income, distributions are partially taxable.

## **Who is eligible for Trump Accounts?**

Any child who hasn't reached the age of 18 during the calendar year and has a Social Security number can have a Trump Account. In other words, the beneficiary must be 17 or younger for the entire year to accept contributions to their account. As noted above, contributions cease in the year the eligible beneficiary reaches 18. However, to receive the free \$1,000 federal grant, the child will need to be a U.S. citizen.

## **What about older children?**

Children born before 2025 won't qualify for the \$1,000 incentive, but parents can still open accounts for them as long as they're under 18. Parents can still invest up to \$2,500 pretax for those kids, and they may benefit from the Dells' donation, giving \$250 to children 10 and under in certain ZIP codes.