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October 20, 2026

Internal Revenue Service
Attn: CC:PA:01:PR (CC-00349938-26)
Room 5503
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Re: Comments on Eligible Investments for Trump Accounts (CC-00349938-26)

Dear Sir or Madam:

The SPARK Institute, Inc. appreciates the opportunity to provide comments to the Department of the Treasury and the Internal Revenue Service (collectively, "Treasury") on the proposed regulations on eligible investments for Trump accounts.

The SPARK Institute represents retirement plan recordkeepers, mutual fund companies, brokerage firms, insurance companies, banks, consultants, trade clearing firms, and investment managers. Collectively, our member firms administer the retirement plans for over 110 million American workers.

As we mentioned in our first comment letter in response to Notice 2025-68,[1] we see Trump accounts as another critical piece of our diverse American retirement system, along with defined benefit plans, 401(k) and other defined contribution plans, plans for small businesses such as SEPs and SIMPLE IRAs, and, more recently, state-run auto IRA programs. For Trump accounts to be a success, they need to integrate seamlessly with the existing retirement system. This system is supported by many companies and professionals who help Americans save, invest, and spend wisely.

Our letter focuses on one aspect of the proposed regulations that we think is critical to ensuring Trump accounts are a success. New Code section 530A provides that, to be an "eligible investment" for a Trump account, a mutual fund or ETF may not have annual fees and expenses of more than 0.1 percent of the balance of the investment in the fund. In our prior comment letter, we requested confirmation that (a) trustees of Trump accounts may charge account-based fees to support the administration and reporting of the account and (b) Trump accounts may pay for investment advice.

[1] https://www.sparkinstitute.org/wp-content/uploads/2026/02/SPARK-Comment-Letter-on-Trump-Accounts-Final-PDF-2-20-26.pdf.

The proposed regulations provide that the 0.1 percent limit on fees and expenses does not apply to fees charged by the trustee for providing services. The proposed regulations also provide that a fee charged by a financial intermediary for a service, such as carrying out a purchase or sale of an investment fund, is not considered a part of the investment fund's fees if the fee is not charged on behalf of or at the direction of the investment fund, is not paid (directly or indirectly) to the investment fund, and is not attributable to any cost of offering the investment fund. Finally, the preamble confirms that if an account beneficiary pays an amount to an advisor for advice on whether to open a Trump account or what investment to select, and the advice and the amount are entirely independent of any investment fund, then the amount is not within the scope of the annual fees of an investment fund.

We strongly recommend that the final regulations retain these rules, allowing for the payment of trustee fees, fees for other administrative services, and fees for investment advice, without those fees being subject to the 0.1 percent limit on fees and expenses of eligible investments. This is critical to the success of Trump accounts. Allowing the charging of reasonable fees for necessary services encourages a robust and competitive marketplace for rollover Trump accounts. In addition, confirming that investment advisors may receive compensation for providing advice on Trump accounts, including whether to open a Trump account or what investment to select, will help families fit Trump accounts into their financial picture and help educate families about the role Trump accounts can play in a child's long-term financial security. We also ask you to confirm that longstanding guidance that the payment of investment advice fees from an IRA is not considered a distribution also applies to Trump accounts.[2]

In the preamble, Treasury notes that some stakeholders "have expressed concerns with the potential for fees and expenses to diminish the account balances over time (especially given the small initial balances and long expected holding periods)." Treasury states that one commenter "raised the concept of expressly prohibiting additional fees because such fees are not contemplated in the statutory language."[3]

While we share the goal of ensuring that we keep costs down for these accounts, we strongly urge Treasury not to adopt such a prohibition. Trump accounts, which are treated as IRAs for most purposes, are already subject to a requirement that fees are no more than reasonable in light of the services being provided.[4] Moreover, if there is to be a robust rollover Trump account market, which Congress intended, Trump account trustees must be able to charge for the services necessary to administer these accounts, including creating and providing required disclosures, tracking basis and tax reporting, sending statements, and interfacing with Treasury.

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[2] See, e.g., PLR 9005010 (Nov. 2, 1989); PLR 8951010 (Sep. 18, 1989). See also Revenue Ruling 84-146; Treas. Reg. section 1.404(a)-3(d).

[3] We disagree. The fact that Congress imposed a specific limit on the fees of eligible investments, but not on any other services that might be provided by the trustee or by an advisor, proves Congress did not intend to prohibit other fees and compensation. There is no statutory authority to prohibit the charging of fees by a Trump account trustee for necessary services.

[4] IRC § 4975(d)(2).

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The SPARK Institute appreciates the opportunity to provide comments on this matter and looks forward to continuing to work with Treasury as it implements Trump accounts. If you have any questions or would like more information regarding this letter, please contact me or the SPARK Institute's outside counsel, Michael Hadley (mlhadley@davis-harman.com), Davis & Harman LLP.

Sincerely,



Tim Rouse
Executive Director