

119TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to make new child payments,  
to provide for American Dream Accounts, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. GALLEG0 introduced the following bill; which was read twice and referred  
to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to make  
new child payments, to provide for American Dream  
Accounts, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Strong Start Act”.

5 **SEC. 2. NEW CHILD PAYMENTS.**

6 (a) IN GENERAL.—Subchapter B of chapter 65 of the  
7 Internal Revenue Code of 1986 is amended by adding at  
8 the end the following new section:

1 **“SEC. 6436. NEW CHILD PAYMENTS.**

2 “(a) IN GENERAL.—An eligible taxpayer shall be al-  
3 lowed a credit in the amount determined under subsection  
4 (b) with respect to each eligible new child of the eligible  
5 taxpayer which shall be paid by the Secretary not later  
6 than 30 days after the date in which the eligible taxpayer  
7 files a claim for such credit.

8 “(b) AMOUNT.—

9 “(1) IN GENERAL.—The amount of the credit  
10 under this subsection with respect to each eligible  
11 new child shall be \$3,000.

12 “(2) INFLATION ADJUSTMENTS.—

13 “(A) IN GENERAL.—In the case of a tax-  
14 able year beginning in a calendar year after  
15 2025, the \$3,000 dollar amount in paragraph  
16 (1) shall be increased by an amount equal to—

17 “(i) such dollar amount, multiplied by

18 “(ii) the cost-of-living adjustment de-  
19 termined under section 1(f)(3) for the cal-  
20 endar year in which the taxable year be-  
21 gins, determined by substituting ‘calendar  
22 year 2024’ for ‘calendar year 2016’ in sub-  
23 paragraph (A)(ii) thereof.

24 “(B) ROUNDING.—If any amount after ad-  
25 justment under the preceding sentence is not a

1 multiple of \$10, such amount shall be rounded  
2 to the next lower multiple of \$10.

3 “(c) DEFINITIONS.—For purposes of this section—

4 “(1) ELIGIBLE TAXPAYER.—

5 “(A) IN GENERAL.—The term ‘eligible tax-  
6 payer’ means, with respect to any eligible new  
7 child, any taxpayer who—

8 “(i) is the parent (within the meaning  
9 of section 152(c)(4)) of the eligible new  
10 child, and

11 “(ii) who has the same principal place  
12 of abode as the eligible new child for the  
13 period beginning on the date described in  
14 paragraph (2)(A)(i) and ending on the  
15 date on which a claim for the credit under  
16 this section is made.

17 “(B) MORE THAN 1 PARENT CLAIMING EL-  
18 IGIBLE NEW CHILD.—If the parents claiming  
19 any eligible new child do not file a joint claim  
20 for the credit under this section together, such  
21 child shall be treated as the qualifying child  
22 of—

23 “(i) the parent with whom the child  
24 resided for the longest period of time de-  
25 scribed in subparagraph (A)(ii), or

1 “(ii) if the child resides with both par-  
2 ents for the same amount of time during  
3 such period, the parent with the highest  
4 adjusted gross income for the preceding  
5 taxable year.

6 “(2) ELIGIBLE NEW CHILD.—

7 “(A) IN GENERAL.—The term ‘eligible new  
8 child’ means any individual who—

9 “(i)(I) was born to the eligible tax-  
10 payer (including through a surrogacy ar-  
11 rangement) after the date of the enactment  
12 of this section,

13 “(II) has not attained the age of 3  
14 and was adopted by the eligible taxpayer  
15 after the date of the enactment of this sec-  
16 tion, or

17 “(III) who has not attained the age of  
18 1 and is placed with the eligible taxpayer  
19 by an authorized placement agency or by  
20 judgment, decree, or other order of any  
21 court of competent jurisdiction after the  
22 date of the enactment of this section,

23 “(ii) is a citizen or national of the  
24 United States, and

1 “(iii) who has been issued a social se-  
2 curity number (as defined in section  
3 24(h)(7), determined by substituting ‘of  
4 the claim for a credit under section 6436’  
5 for ‘of such return’ in clause (ii) thereof).

6 “(B) EXCEPTION.—Such term shall not in-  
7 clude any individual with respect to whom a  
8 credit has been previously allowed under this  
9 section to any other person.

10 “(d) TAXPAYER IDENTIFICATION REQUIREMENT.—  
11 No credit shall be allowed under this section unless the  
12 eligible taxpayer has included with the claim for a credit  
13 under this section the taxpayer’s identification number  
14 and such identification number was issued before the date  
15 the eligible new child was born or adopted by the taxpayer.

16 “(e) EXCEPTION FROM REDUCTION OR OFFSET.—  
17 Any payment made to any individual under this section  
18 shall not be—

19 “(1) subject to reduction or offset pursuant to  
20 subsection (c), (d), (e), or (f) of section 6402 or any  
21 similar authority permitting offset, or

22 “(2) reduced or offset by other assessed Federal  
23 taxes that would otherwise be subject to levy or col-  
24 lection.

1       “(f) RESTRICTIONS ON TAXPAYERS WHO IMPROP-  
2       ERLY CLAIMED CREDIT OR IMPROPERLY RECEIVED PAY-  
3       MENT.—

4               “(1) IN GENERAL.—No credit shall be allowed  
5       under this section for any taxable year in the dis-  
6       allowance period.

7               “(2) DISALLOWANCE PERIOD.—For purposes of  
8       paragraph (1), the disallowance period is—

9                       “(A) the period of 120 calendar months  
10       after the most recent calendar month for which  
11       there was a final determination that the tax-  
12       payer’s claim of credit under this section was  
13       due to fraud, and

14                      “(B) the period of 24 calendar months  
15       after the most recent calendar month for which  
16       there was a final determination that the tax-  
17       payer’s claim of credit under this section was  
18       due to reckless or intentional disregard of rules  
19       and regulations (but not due to fraud).

20       “(g) REGULATIONS.—The Secretary shall issue such  
21       regulations or other guidance as the Secretary determines  
22       necessary or appropriate to carry out the purposes of this  
23       section, including regulations or guidance with respect to  
24       the time and manner for filing a claim for the credit al-  
25       lowed under this section.”.

1 (b) CLERICAL AMENDMENT.—The table of sections  
2 for subchapter B of chapter 65 of the Internal Revenue  
3 Code of 1986 is amended by adding at the end the fol-  
4 lowing new item:

“Sec. 6436. New child payments.”.

5 **SEC. 3. AMERICAN DREAM ACCOUNTS.**

6 (a) TRUMP ACCOUNTS RENAMED AMERICAN DREAM  
7 ACCOUNTS.—

8 (1) IN GENERAL.—Each of the following provi-  
9 sions of the Internal Revenue Code of 1986, as  
10 amended by Public Law 119–21, is amended by  
11 striking “Trump account” each place it appears and  
12 inserting “American Dream account”:

13 (A) Section 530A.

14 (B) Section 128.

15 (C) Section 139J.

16 (D) Section 6434.

17 (2) CONFORMING AMENDMENTS.—

18 (A) Section 530A(h)(4) of the Internal  
19 Revenue Code of 1986, as added by Public Law  
20 119–21, is amended by striking “Trump Ac-  
21 counts” and inserting “American Dream ac-  
22 counts”.

23 (B) Section 128(c) of such Code, as added  
24 by Public Law 119–21, is amended by striking

1 “Trump accounts” and inserting “American  
2 Dream accounts”.

3 (C) Section 6692(a)(2)(G) of such Code,  
4 as added by Public Law 119–21, is amended by  
5 striking “Trump accounts” and inserting  
6 “American Dream accounts”.

7 (b) PERMANENT EXTENSION AND INDEXING OF INI-  
8 TIAL GOVERNMENT SEED CONTRIBUTION PROGRAM.—

9 (1) EXTENSION.—Section 6434(c)(1) of the In-  
10 ternal Revenue Code of 1986, as added by Public  
11 Law 119–21, is amended by striking “, and before  
12 January 1, 2029”.

13 (2) INFLATION ADJUSTMENT.—Section 6434 of  
14 such Code, as added by Public Law 119–21, is  
15 amended by adding at the end the following new  
16 subsection:

17 “(j) INFLATION ADJUSTMENT.—

18 “(1) IN GENERAL.—In the case of any taxable  
19 year beginning after 2026, the \$1,000 amount in  
20 subsections (a) shall be increased by an amount  
21 equal to—

22 “(A) such dollar amount, multiplied by

23 “(B) the cost-of-living adjustment deter-  
24 mined under section 1(f)(3) for the calendar  
25 year in which the taxable year begins, deter-



1           mined by substituting ‘calendar year 2025’ for  
2           ‘calendar year 2016’ in subparagraph (A)(ii)  
3           thereof.

4           “(2) ROUNDING.—Any increase determined  
5           under paragraph (1) shall be rounded to the next  
6           nearest multiple of \$100.”.

7           (c) ADDITIONAL GOVERNMENT CONTRIBUTIONS FOR  
8           ELIGIBLE INDIVIDUALS.—

9           (1) IN GENERAL.—Subchapter B of chapter 65  
10          of the Internal Revenue Code of 1986, as amended  
11          by Public Law 119-21, is amended by inserting after  
12          section 6434 the following new section:

13       **“SEC. 6434A. ADDITIONAL AMERICAN DREAM ACCOUNT**  
14               **CONTRIBUTIONS.**

15       “(a) IN GENERAL.—Each eligible taxpayer shall be  
16       treated as making a payment against the tax imposed by  
17       subtitle A for the taxable year in an amount equal to the  
18       amount determined under subsection (b) with respect to  
19       each qualifying child of the taxpayer.

20       “(b) AMOUNT.—

21       “(1) IN GENERAL.—The amount determined  
22       under this subsection with respect to any qualifying  
23       child is—

1           “(A) in the case of an eligible taxpayer  
2           who is an EITC eligible taxpayer for the tax-  
3           able year, the sum of—

4                   “(i) \$750, plus

5                   “(ii) the amount contributions during  
6           the taxable year (not to exceed \$250) made  
7           to the American Dream account with re-  
8           spect to which the qualifying child is the  
9           account beneficiary, and

10           “(B) in the case of any other eligible tax-  
11           payer, \$500.

12           “(2) INFLATION ADJUSTMENT.—

13                   “(A) IN GENERAL.—In the case of any  
14           taxable year beginning after 2026, the \$750  
15           amount in paragraph (1)(A)(i) and the \$500  
16           amount in paragraph (1)(B) shall each be in-  
17           creased by an amount equal to—

18                   “(i) such dollar amount, multiplied by

19                   “(ii) the cost-of-living adjustment de-  
20           termined under section 1(f)(3) for the cal-  
21           endar year in which the taxable year be-  
22           gins, determined by substituting ‘calendar  
23           year 2025’ for ‘calendar year 2016’ in sub-  
24           paragraph (A)(ii) thereof.

1                   “(B) ROUNDING.—Any increase deter-  
2                   mined under paragraph (1) shall be rounded to  
3                   the next nearest multiple of \$10.

4           “(c) REFUND OF PAYMENT.—The amount treated as  
5   a payment under subsection (a) with respect to any quali-  
6   fying child or the taxpayer shall be paid by the Secretary  
7   to the American Dream account with respect to which  
8   such qualifying child is the account beneficiary.

9           “(d) DEFINITIONS AND OTHER RULES.—For pur-  
10   poses of this section—

11           “(1) ELIGIBLE TAXPAYER.—The term ‘eligible  
12   taxpayer’ means, with respect to any taxable year,  
13   any taxpayer—

14                   “(A) who has a dependent who is a quali-  
15                   fying child, and

16                   “(B) whose adjusted gross income for the  
17                   taxable year does not exceed \$75,000  
18                   (\$150,000 in the case of a joint return).

19           “(2) EITC ELIGIBLE TAXPAYER.—The term  
20   ‘EITC eligible taxpayer’ means, with respect to any  
21   taxable year, an eligible taxpayer who is allowed a  
22   credit under section 32 for such taxable year.

23           “(3) QUALIFYING CHILD.—The term ‘qualifying  
24   child’ means, with respect to any taxable year, any  
25   individual who—

1           “(A) is a qualifying child (as defined in  
2           section 152(c)) who has not attained the age of  
3           18,

4           “(B) is a United States citizen, and

5           “(C) is the account beneficiary of an  
6           American Dream account.

7           “(4) OTHER RULES.—Rules similar to the rules  
8           of subsections (e), (f), (h), and (i) of section 6434  
9           shall apply for purposes of this section.”.

10          (2) APPLICATION WITH CONTRIBUTION LIM-  
11          ITS.—Section 530A(c)(2)(B)(iii) of such Code, as  
12          added by Public Law 119–21, is amended by insert-  
13          ing “or 6434A” after “6434”.

14          (3) TREATMENT OF DISTRIBUTIONS.—Section  
15          530A(d)(2)(B) of such Code, as added by Public  
16          Law 119–21, is amended by inserting “or 6434A”  
17          after “6434”.

18          (4) CLERICAL AMENDMENT.—The table of sec-  
19          tions for subchapter B of chapter 65 of such Code,  
20          as amended by Public Law 119–21, is amended by  
21          inserting after the item relating to section 6434 the  
22          following new item:

“Sec. 6434A. Additional American Dream account contributions.”.

23          (d) ADDITIONAL CONFORMING AMENDMENTS.—

24               (1) The heading of part IX of subchapter F of  
25               chapter 1 of the Internal Revenue Code of 1986, as

1 added by Public Law 119–21, is amended by strik-  
2 ing “**TRUMP ACCOUNTS**” and inserting “**AMER-**  
3 **ICAN DREAM ACCOUNTS**”.

4 (2) The item relating to section 530A in the  
5 table of parts for subchapter F of chapter 1 of such  
6 Code, as added by Public Law 119–21, is amended  
7 by striking “Trump accounts” and inserting “Amer-  
8 ican Dream accounts”.

9 (3) The heading of section 530A of the Internal  
10 Revenue Code of 1986, as added by Public Law  
11 119–21, is amended by striking “**TRUMP AC-**  
12 **COUNTS**” and inserting “**AMERICAN DREAM AC-**  
13 **COUNTS**”.

14 (4) The item relating to section 530A in the  
15 table of sections for part IX of subchapter F of  
16 chapter 1 of such Code, as added by Public Law  
17 119–21, is amended by striking “Trump accounts”  
18 and inserting “American Dream accounts”.

19 (5) The heading of section 530A(b) of such  
20 Code, as added by Public Law 119–21, is amended  
21 by striking “TRUMP ACCOUNT” and inserting  
22 “AMERICAN DREAM ACCOUNT”.

23 (6) The heading of section 128 of such Code,  
24 as added by Public Law 119–21, is amended by

1 striking “**TRUMP ACCOUNTS**” and inserting  
2 “**AMERICAN DREAM ACCOUNTS**”.

3 (7) The item relating to section 128 in the table  
4 of sections for part III of subchapter B of chapter  
5 1 of such Code, as added by Public Law 119–21, is  
6 amended by striking “Trump accounts” and insert-  
7 ing “American Dream accounts”.

8 (8) The heading of section 139J of such Code,  
9 as added by Public Law 119–21, is amended by  
10 striking “**TRUMP ACCOUNTS**” and inserting  
11 “**AMERICAN DREAM ACCOUNTS**”.

12 (9) The item relating to section 139J in the  
13 table of sections for part III of subchapter B of  
14 chapter 1 of such Code, as added by Public Law  
15 119–21, is amended by striking “Trump accounts”  
16 and inserting “American Dream accounts”.

17 (10) The heading of section 6434 of such Code,  
18 as added by Public Law 119–21, is amended by  
19 striking “**TRUMP ACCOUNT CONTRIBUTION**  
20 **PILOT PROGRAM**” and inserting “**AMERICAN**  
21 **DREAM ACCOUNT SEED CONTRIBUTIONS**”.

22 (11) The item relating to section 6434 in the  
23 table of sections for subchapter B of chapter 65 of  
24 such Code, as added by Public Law 119–21, is  
25 amended by striking “Trump account contribution

1 pilot program” and inserting “American Dream ac-  
2 count seed contributions”.

3 (12) The heading of section 6659 of such Code,  
4 as added by Public Law 119–21, is amended by  
5 striking “**TRUMP ACCOUNT CONTRIBUTION**  
6 **PILOT PROGRAM**” and inserting “**AMERICAN**  
7 **DREAM ACCOUNT SEED CONTRIBUTION**”.

8 (13) The item relating to section 128 in the  
9 table of sections for part IX of subchapter F of  
10 chapter 1 of such Code, as added by Public Law  
11 119–21, is amended by striking “Trump account  
12 contribution pilot program” and inserting “Amer-  
13 ican Dream account seed contribution”.

14 (e) COORDINATION WITH OTHER MEANS-TESTED  
15 PROGRAMS.—

16 (1) ACCOUNT FUNDS DISREGARDED FOR PUR-  
17 POSES OF CERTAIN OTHER MEANS-TESTED FEDERAL  
18 PROGRAMS.—Notwithstanding any other provision of  
19 Federal law that requires consideration of 1 or more  
20 financial circumstances of an individual, for the pur-  
21 pose of determining eligibility to receive, or the  
22 amount of, any assistance or benefit authorized by  
23 such provision to be provided to or for the benefit  
24 of such individual, any amount (including earnings  
25 thereon) in an American Dream account (within the

1 meaning of section 530A of the Internal Revenue  
2 Code of 1986) of such individual and any contribu-  
3 tions to the American Dream account of the indi-  
4 vidual shall be disregarded for such purpose with re-  
5 spect to any period before the first day of the cal-  
6 endar year in which such individual attains the age  
7 of 18, except that, in the case of the supplemental  
8 security income program under title XVI of the So-  
9 cial Security Act (42 U.S.C. 1381 et seq.) any  
10 amount (including such earnings) in such American  
11 Dream account shall be considered a resource of the  
12 designated beneficiary to the extent that such  
13 amount exceeds \$100,000.

14 (2) SUSPENSION OF SSI BENEFITS DURING PE-  
15 RIODS OF EXCESSIVE ACCOUNT FUNDS.—

16 (A) IN GENERAL.—The benefits of an indi-  
17 vidual under the supplemental security income  
18 program under title XVI of the Social Security  
19 Act shall not be terminated, but shall be sus-  
20 pended, by reason of excess resources of the in-  
21 dividual attributable to an amount in the Amer-  
22 ican Dream account (within the meaning of sec-  
23 tion 530A of the Internal Revenue Code of  
24 1986) of the individual not disregarded under  
25 subsection (a).



1 (B) NO IMPACT ON MEDICAID ELIGI-  
2 BILITY.—An individual who would be receiving  
3 payment of such supplemental security income  
4 benefits but for the application of paragraph  
5 (1) shall be treated for purposes of title XIX of  
6 the Social Security Act (42 U.S.C. 1396 et  
7 seq.) as if the individual continued to be receiv-  
8 ing payment of such benefits.

9 (f) AUTOMATIC ENROLLMENT OF ELIGIBLE INDIVID-  
10 UALS.—Not later than one year after the date of the en-  
11 actment of this Act, the Secretary of the Treasury (or the  
12 Secretary's delegate) shall establish a program to—

13 (1) collect information on whether an individual  
14 meets the requirements of subparagraphs (A) and  
15 (B) of section 530A(b)(2) of the Internal Revenue  
16 Code of 1986, and

17 (2) automatically establish American Dream ac-  
18 counts (as defined in section 530A of such Code) on  
19 behalf of such individual if, based on such informa-  
20 tion, the Secretary determines such individual is an  
21 eligible individual (as defined in section 530A(b)(2)).