

eShipping®

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# UNDERSTANDING TARIFF CHANGES

Navigating recent executive orders, proclamations, and memorandums and understanding how they may affect your business.\*

*\*All information provided herein is informational and advisory only. We strongly encourage importers to consult legal counsel for definitive and binding information.*

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# 2025-2026 Tariff Change Timeline

- **January 1<sup>st</sup>, 2028** USTR Section 301 tariff increases from 10% to 15% on Nicaraguan products.
- **June 23<sup>rd</sup>, 2027** USTR Section 301 Semiconductors tariff increases from 0% to an undisclosed amount.
- **May 24<sup>th</sup>, 2027** USTR deadline to announce Section 301 Semiconductors tariff amount.
- **January 1<sup>st</sup>, 2027** USTR Section 301 tariff increases from 0% to 10% on Nicaraguan products.
- **January 1<sup>st</sup>, 2027** Completed Kitchen Cabinets, Vanities, and their parts Section 232 increases to 50% additional duty rate.
- **January 1<sup>st</sup>, 2027** Upholstered Wooden Products Section 232 increases to 30% additional duty rate.
- **November 10<sup>th</sup>, 2026** Section 301 exclusions expire.
- **November 10<sup>th</sup>, 2026** USTR-301 Port fees scheduled to be effective.
- **July 8<sup>th</sup>, 2026** Consumer Products Safety Commission Certificate E-filing required.
- **June 1<sup>st</sup>, 2026** EU countries Greenland tariff increases to 25% (Denmark, Norway, Sweden, France, Germany, Netherlands, Finland).
- **June 1<sup>st</sup>, 2026** United Kingdom's Greenland tariff increases to 25%.
- **February 6<sup>th</sup>, 2026** CBP begins issuing refunds electronically by ACH.
- **February 1<sup>st</sup>, 2026** Certain EU countries receive a Greenland tariff of 10% (Denmark, Norway, Sweden, France, Germany, Netherlands, Finland).
- **February 1<sup>st</sup>, 2026** United Kingdom receives a Greenland tariff of 10%.
- **January 1<sup>st</sup>, 2026** Full Compliance to ISPM-15 wood packaging marking requirements required.
- **November 14<sup>th</sup>, 2025** Switzerland and Liechtenstein Reciprocal IEEPA adjusted to be 15% maximum including Ad Valorem Duty
- **November 14<sup>th</sup>, 2025** South Korean Reciprocal IEEPA adjusted to be 15% maximum including Ad Valorem Duty
- **November 14<sup>th</sup>, 2025** South Korean Section 232 for Timber, Lumber, and Wood Derivatives lowered to 15%.
- **November 13<sup>th</sup>, 2025** Certain Agricultural Products Exempted from Reciprocal IEEPA.
- **November 13<sup>th</sup>, 2025** Certain Agricultural Products Exempted from Brazil Human Rights Violation IEEPA
- **November 10<sup>th</sup>, 2025** Chinese Reciprocal IEEPA lowers to 10% from 20%.
- **November 1<sup>st</sup>, 2025** South Korean Section 232 for Automobiles and Auto Parts lowered to 15%
- **November 1<sup>st</sup>, 2025** 25% Duty Increase for Medium and Heavy-Duty Trucks and their parts.
- **November 1<sup>st</sup>, 2025** 10% Duty Increase for Buses, School Buses, Transit Buses, and Motor Coaches.
- **October 28<sup>th</sup>, 2025** Extension ends for Mexico to reach a trade agreement with the U.S..
- **October 14<sup>th</sup>, 2025** Softwood Timber & Lumber Section 232 effective at 10% additional duty rate.

# 2025 Past Tariff Change Timeline

- **October 14<sup>th</sup>, 2025** Upholstered Wooden Products Section 232 effective at 25% additional duty rate.
- **October 14<sup>th</sup>, 2025** Completed Kitchen Cabinets, Vanities, and their parts Section 232 effective at 25% additional duty rate.
- **September 11<sup>th</sup>, 2025** Products of Japan adjusted to 15% flat rate for majority of tariffs.
- **September 8<sup>th</sup>, 2025** Reciprocal Tariff ANNEX II amended to add exempt items and remove items from the exempt list.
- **August 27<sup>th</sup>, 2025** India IEEPA effective adding 25% duty.
- **August 7<sup>th</sup>, 2025** Amended Reciprocal IEEPA rates effective.
- **August 1<sup>st</sup>, 2025** Canada IEEPA increased from 25% to 35% for non-USMCA eligible goods.
- **July 9<sup>th</sup>, 2025** United Kingdom origin Section 232 steel and aluminum goods including derivatives evaluated if ERD conditions met.
- **June 23<sup>rd</sup>, 2025** Certain Household Appliances will be subject to Section 232 and 50% duty increase except United Kingdom which is 25%.
- **June 15<sup>th</sup>, 2025** All entries for IEEPA in-transit exclusions must be filed and duties paid.
- **June 4<sup>th</sup>, 2025** Steel and Aluminum and derivatives Section 232 duties increase from 25% to 50% for all countries except United Kingdom.
- **May 29<sup>th</sup>, 2025** CIT ruled all IEEPA Executive Orders were invalid. Court of Appeals issued stay of order until appeal can be decided.
- **May 14<sup>th</sup>, 2025** IEEPA Reciprocal Tariffs for China and Hong Kong lowered from 125% to 10% for a 90-day period.
- **May 14<sup>th</sup>, 2025** De Minimis US Postal packages duty rate decreases from 125% to 54%.
- **May 3<sup>rd</sup>, 2025** Automobile Parts Section 232 effective with a duty rate of 25%.
- **May 2<sup>nd</sup>, 2025** De Minimis eligibility removed from all packages from China and Hong Kong adding a duty rate of 120%.
- **April 10<sup>th</sup>, 2025** IEEPA Reciprocal Tariff Annex I specific rates paused for 90 days, and 10% Base country rate applied to ANNEX I countries.
- **April 9<sup>th</sup>, 2025** IEEPA Reciprocal Tariff for China and Hong Kong increased from 34% to 125%.
- **April 9<sup>th</sup>, 2025** IEEPA Reciprocal Tariff increase effective for Annex I countries. \*Paused for 90 days except China and Hong Kong\*
- **April 5<sup>th</sup>, 2025** IEEPA Reciprocal Tariff increase effective for Base Countries not included in Annex I with a duty rate of 10%.
- **April 3<sup>rd</sup>, 2025** Automobile Section 232 effective with a duty rate of 25%.
- **March 12<sup>th</sup>, 2025** Steel and Aluminum expansion with derivatives effective with a 25% duty rate.
- **March 4<sup>th</sup>, 2025** IEEPA for Canada and Mexico effective for non-USMCA eligible goods with a duty increase of 25%.
- **March 4<sup>th</sup>, 2025** Tariff Stacking relief effective which eliminates many provisional tariffs from being applied to the same items.
- **March 4<sup>th</sup>, 2025** Second IEEPA duty increase for China and Hong Kong effective with an additional 10% duty rate.
- **February 1<sup>st</sup>, 2025** First IEEPA duty increase for China and Hong Kong effective with a 10% duty rate.

# Section 232 Semiconductor Products

Effective: January 15<sup>th</sup>, 2026

Countries: All Countries

- On January 14<sup>th</sup>, 2026 President Trump issued an Executive Proclamation expanding Section 232 to semiconductors and their derivative products. The EO can be found here [ADJUSTING IMPORTS OF SEMICONDUCTORS, SEMICONDUCTOR MANUFACTURING EQUIPMENT, AND THEIR DERIVATIVE PRODUCTS INTO THE UNITED STATES – The White House](#).
- The Section 232 duty rate will be 25% effective January 15<sup>th</sup>, 2026 for all semiconductor and their derivatives entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on January 15<sup>th</sup>, 2026.
- “Semiconductor articles” refers to imported products meeting certain technical parameters and that are classifiable in these areas of the HTS: 8471.50, 8471.80, and 8473.30.
- Full description of technical parameters can be found here [2026SemiConductor.prc .rel-ANNEX.pdf](#). The parameters are:
  - a total processing performance greater than 14,000 and less than 17,500, and a total DRAM bandwidth greater than 4,500 GB/s and less than 5,000 GB/s; or
  - a total processing performance greater than 20,800 and less than 21,100, and total DRAM bandwidth greater than 5,800 GB/s and less than 6,200 GB/s.
- The Secretary of Commerce, in consultation with the U.S. International Trade Commission and CBP will determine whether any modifications to the HTSUS, end-use certifications, or other administrative measures are necessary to effectuate or implement this proclamation or any actions taken pursuant to this proclamation.
- Subject products are exempt from any other Section 232 action and exempt from IEEPA Reciprocal Tariffs imposed under EO 14257 and IEEPA Border Tariffs under EOs 14193 (CA) and 14194 (MX). No exemption is provided for from IEEPA Fentanyl Tariff (CN).
- Pursuant to the new provisions set forth in the Annex, these duties apply in addition to any preferential treatment from a free trade agreement or preference program, and in addition to any applicable AD/CVD.
- The Secretary of Commerce, U.S. Trade Representative, and any senior official they deem appropriate, will continue or pursue trade negotiations with foreign jurisdictions that have the potential to strengthen the United States semiconductor industry. These negotiations may result in the imposition of additional tariffs with an accompanying offset program.

# Exemptions to Section 232 Semiconductor Tariffs

Effective: January 15<sup>th</sup>, 2026

Countries: All Countries

- On January 14<sup>th</sup>, 2026 President Trump issued an Executive Proclamation expanding Section 232 to semiconductors and their derivative products. The EO can be found here [ADJUSTING IMPORTS OF SEMICONDUCTORS, SEMICONDUCTOR MANUFACTURING EQUIPMENT, AND THEIR DERIVATIVE PRODUCTS INTO THE UNITED STATES – The White House](#).
- The Section 232 duty rate will be 25% effective January 15<sup>th</sup>, 2026 for all semiconductor and their derivatives entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on January 15<sup>th</sup>, 2026.
- Exemptions to the above Section 232 Semiconductor Products tariff increase are below.
  - Products classified in the designated HTSUS provisions that do not meet the parameters on above tile.
  - U.S. data centers (defined by new U.S. Note 39, which require greater than 100 megawatts (MW) of new load dedicated to AI inference, training, simulation, or synthetic data generation);
  - Repairs or replacements performed in the United States;
  - Research and development in the United States involving these chips (as defined in new U.S. Note 39);
  - Startups in the U.S., as defined by new U.S. Note 39 as an “emerging growth company,” as defined at 15 U.S.C. § 77b(a)(19);
  - Non-data center consumer electronics applications in the United States (gaming, personal computing, etc. as per new U.S. Note 39);
  - Non-data center civil industrial applications in the United States, including factory robotics and industrial machinery;
  - U.S. public sector applications; or
  - Other uses that the Secretary determines contribute to the strengthening of the U.S. technology supply chain or domestic manufacturing capacity for derivatives of semiconductors.
  - Goods qualifying for Chapter 98 provisions are exempt or partially exempt, as applicable, except that the duties will be assessed on the full value of goods qualifying under 9802.00.60.

# DOC Lowers Certain Taiwan Section 232 Tariffs

Announced: January 15<sup>th</sup>, 2026

Countries: Taiwan

- The Department of Commerce announced on January 15<sup>th</sup>, 2026 they had reached an agreement to lower Section 232 duties on auto parts, lumber, timber, and wood derivative products for Taiwan to a “total no more than 15 percent”. The Fact Sheet can be found here [Fact Sheet: Restoring American Semiconductor Manufacturing Leadership Through an Agreement on Trade & Investment with Taiwan | U.S. Department of Commerce](#).
- The DOC also advised that IEEPA reciprocal tariff will also total no more than 15%. The current IEEPA reciprocal tariff is 20%.
- Taiwanese Pharmaceuticals imported into the United States will have a 0% reciprocal tariff.
- Taiwanese companies that building new United States semiconductor capacity can import up to 2.5 times that planned capacity without paying Section 232 duties during the approved construction period and receive lower Section 232 for above-quota imports. Taiwanese companies who have completed new chip production projects in the United States continue to be able to import 1.5 times their new U.S. production capacity without paying Section 232 duties.
- Changes have not yet been implemented, and it was not released when the changes would be effective.

# Tariff Increase to Negotiate Purchase of Greenland

Effective: February 1<sup>st</sup>, 2026

Countries: Denmark, Finland, France, Germany, Netherlands, Norway, Sweden, and United Kingdom

- On January 17<sup>th</sup>, 2026 President Trump announced on Truth Social that certain European Union countries and the United Kingdom will receive a 10% tariff increase on “any and all goods” until a deal is reached for the complete and total purchase of Greenland. The post can be found here [Truth Details | Truth Social](#).
- President Trump stated in the post that Denmark, Finland, France, Germany, Netherlands, Norway, Sweden and the United Kingdom do not have the capability of protecting Greenland from Russia and China.
- Greenland is a self-governing country with the oversight of Denmark and have control of international affairs for their country. Greenland does have the right to secede.
- Finland, France, Germany, Netherlands, Norway, Sweden, and United Kingdom were included in this tariff increase due to their open opposition to the United States purchase of Greenland.
- President Trump stated, “Nobody will touch this sacred piece of Land, especially since the National Security of the United States, and the World at large, is at stake.”
- The tariff will increase on June 1<sup>st</sup>, 2026 to 25%.
- President Trump listed the Golden Dome and Modern Day Weapons Systems as part of the need to acquire Greenland.
- Per Norwegian Defense Minister Tore Sandvik, “Russia is building up on the Kola Peninsula...where one of the largest arsenals of nuclear warheads in the world is located. They are not only pointed towards Norway, but towards the UK and over the pole towards Canada and the U.S.”
- Greenland is in the Arctic Circle with many countries interested in its ownership. Greenland’s rare earth elements, uranium, fossil fuels, strategic position to future trading routes, and defensive location all make it extremely valuable to all parties.
- Effective date of this increase has not been released. We will advise details as they are released.

# Countries Conducting Business with Iran Tariff Increase

Announced: January 12<sup>th</sup>, 2026

Countries: Any Country conducting business with Iran

- On January 12<sup>th</sup>, 2026 President Trump announced on Truth Social that any country “doing business with the Islamic Republic of Iran” will be subject to a 25% tariff on all imports into the United States. The post can be found here [Truth Details | Truth Social](#).
- President Trump states, “This Order is final and conclusive”.
- No further details have been released regarding this post.
- Countries known to do business with Iran include:
  - China who is one of Iran’s largest trading partners.
  - India trades in Iranian oil.
  - Turkey trades energy, agriculture and various consumer goods
  - United Arab Emirates (UAE) is a crucial hub for Iranian trade facilitating importing and exporting of goods despite sanctions.
  - Russia has economic ties including energy and shared military cooperation.
- Details will be shared as they are released.

# Final Rule for Electronic Refunds from CBP

Effective: February 6<sup>th</sup>, 2026

- On January 1<sup>st</sup>, 2026 a Federal Register notice was published advising that Customs and Border Protection will begin issuing all refunds (subject to limited exceptions) electronically via Automated Clearing House (ACH) beginning on February 6<sup>th</sup>, 2026. The notice can be found here [Federal Register :: Electronic Refunds](#).
- CBP issued a reference sheet for Importers to review found here [CBP Modernizes Electronic Refund Enrollment Process](#).
- Importers will need to have an active Automated Commercial Environment (ACE) account. Directions on how to apply for an ACE Portal Account can be found here [Applying for an ACE Secure Data Portal Account | U.S. Customs and Border Protection](#).
- Customs and Border Protection states, “The improvements enable automated processing, making it easier, faster and more secure for businesses to engage in lawful trade with CBP while managing their customs transactions online, enhancing efficiency and safeguarding both economic and national security.”
- The U.S. Department of Treasury will cease issuing paper checks for all CBP refunds unless the recipient has an approved waiver in place in accordance with 31 C.F.R 208.4. The requirements and process for the waiver can be found here [eCFR :: 31 CFR 208.4 -- Waivers](#).
- This effort is transitioning away from traditional paper-based refunds and the unnecessary costs and delays the previous process incurred. It also is intended to provide increased security against financial fraud and improper payments.
- This notice has been put into action to comply with Executive order 14247: Modernizing Payments To and From America’s Bank Account issued on May 30<sup>th</sup>, 2025 which can be found here [Federal Register :: Modernizing Payments To and From America's Bank Account](#).
- In addition, to help the trade prepare for the mandatory transition, CBP will hold user readiness support calls details can be found here [CSMS # 67305746 - ICYMI: Electronic Refunds Interim Final Rule Effective February 6, 2026 – ACE Support Call Schedule Now Available](#).

**Eshipping strongly advises importers to begin the process of setting up Automated Clearing House refunds with Customs and Border Protection as soon as possible. With the ruling by the Supreme Court regarding the validity of IEEPA tariff charges due early this week, the method of refunds from Customs and Border Protection is one of the most important actions importers of record can take.**

# Customs and Border Protection Training Webinars

All Importers

## Forced Labor Portal Training

- Customs and Border Protection has advised that they will be launching a Forced Labor Portal in January of 2026. In preparation they will be conducting three webinars to train users on the portal's functionalities to submit the following types of review requests.
  - Withhold Release Order/Finding admissibility reviews;
  - Uyghur Forced Labor Prevention Act applicability reviews;
  - Uyghur Forced Labor Prevention Act requests for exception; and
  - Countering America's Adversaries Through Sanctions Act exception requests.
- Following the deployment of the Forced Labor Portal all shipments that are detained or excluded for forced labor enforcement that importers would like to request the port of entry or Center of Excellence and Expertise to review must be submitted through the portal. Below are the webinars and meeting times.
  - Forced Labor Portal Launch Session 1 **Tuesday January 13, 2026, 11:00 a.m. EST**
  - Forced Labor Portal Launch Session 2 **Wednesday January 14, 2026, 1:00 p.m. EST**
  - Forced Labor Portal Launch Session 3 **Thursday January 15, 2026, 1:00 p.m. EST**

## Trade Violations Reporting Training

- Customs and Border Protection is offering quarterly webinars through out 2026 regarding how to report suspected trade violations online. These webinars will advise how **anyone** can report trade violations using the Trade Violations Reporting Tool. Sign up is here [Trade Violations Reporting \(TVR\) Q1 Webinar – Website](#). Below are the details of the first webinar.
  - Trade Violations Reporting (TVR) Q1 Webinar – Website **Tuesday, January 13, 2026, at 1:30 p.m. EST**

## Eshipping CTPAT Resources and Guidelines Portal

eShipping has launched it's new CTPAT Resources and Guidelines information portal. It contains helpful international shipping security information and best practices. You do not need to be a CTPAT member to utilize the tools that the program that eShipping can provide! [International - eShipping](#)

# Timber, Lumber, and Derivatives Section 232

- All Countries
- Effective October 14<sup>th</sup>, 2025
- President Trump signed a proclamation on December 31<sup>st</sup>, 2025 delaying the increase in Section 232 duties for upholstered wooden products, kitchen cabinets, vanities, and their parts that was scheduled for January 1<sup>st</sup>, 2026 to January 1<sup>st</sup>, 2027. The fact sheet can be found here [Fact Sheet: President Donald J. Trump Adjusts Imports of Timber, Lumber, and Their Derivative Products into the United States – The White House](#)
- The current 25% Section 232 duty rate will remain in effect for upholstered wooden products, kitchen cabinets, vanities, and their parts.
- President Trump issued an Executive Proclamation on September 29<sup>th</sup>, 2025 announcing Section 232 duties for Softwood Timber and Lumber, Upholstered Wooden Products, and Kitchen Cabinets and Vanities. The proclamation can be found here. [Adjusting Imports of Timber, Lumber, and their Derivative Products into the United States – The White House](#)
- Softwood timber and lumber that are included in ANNEX I of the proclamation will be subject to an additional 10% under Section 232.
- Upholstered wooden products that are included in ANNEX I of the proclamation will be subject to an additional 25% under Section 232.
- Completed kitchen cabinets, vanities, and their parts included in ANNEX I of the proclamation will be subject to an additional 25% under Section 232.
- Annex I can be found here. [timber-.pdf](#)
- Effective January 1<sup>st</sup>, 2027 the below rates will apply:
  - Upholstered wooden products will increase to **30%** under Section 232.
  - Completed kitchen cabinets, vanities, and their parts will increase to **50%** Section 232.
- For United Kingdom, the Section 232 wood products duty rate will not exceed 10%.
- For the European Union and Japan, the Section 232 wood products duty rate will not exceed 15% when added to the MFN/Ad Valorem rate of duty.
- Any wood product that is subject to Section 232 Automobiles and Automobile Parts will be exempt from this proclamation.
- Items subject to this proclamation will not be subject to Canada IEEPA(35%) or Mexico IEEPA(25%).
- This will remove all tariffs in Chapter 44 that were contained in ANNEX II being exempt from reciprocal tariffs effective October 14<sup>th</sup>, 2025.

# USTR Section 301 Actions on Chinese Semiconductors

Country of Origin: China

- The United States Trade Representative published in the Federal Register a notice of action implementing Section 301 tariff action due to China's acts, policies, and practices regarding semiconductors. The link to the notice is here [2025-23912.pdf](#).
- Pursuant to Sections 301(b) and (c), the U.S. Trade Representative determined that responsive action was appropriate, and that appropriate responsive action includes taking tariff action now on semiconductors from China, with an initial tariff level of 0 percent effective December 23<sup>rd</sup>, 2025.
- The 0% will increase on June 23, 2027, and the increased rate will be advised at least 30 days prior to that date.
- The tariffs that will be subject to these Section 301 tariffs are listed below:
  - 2804.61.00      8541.30.00      8541.51.00      8542.33.00
  - 3818.00.00      8541.49.10      8541.59.00      8542.39.00
  - 8541.10.00      8541.49.70      8541.90.00      8542.90.00
  - 8541.21.00      8541.49.80      8542.31.00
  - 8541.29.00      8541.59.95      8542.32.00
- These new Section 301 tariffs are in addition to the 50% Section 301 tariff on semiconductors from China related to the forced technology transfer.
- Any antidumping, countervailing, or other duties, fees, or exactions will continue to apply to these products in addition to the announced tariffs.

# CBP Advises Periodic Monthly Statement Dates for 2026

Country of Origin: United States

- Customs and Border Protection advised on December 29<sup>th</sup>, 2025 the Periodic Monthly Statement (PMS) dates for duty payment. The notice can be found here [Periodic Monthly Statements Due Dates for 2026.pdf](#).
- These dates are only for importers that have been approved by Customs and Border Protection for monthly duty payments. More information on this approval can be found here [Participating in Periodic Monthly Statements](#).
- Below are the payment dates for 2026.

<u>Month</u>	<u>Statement Dates 11th Workday</u>	<u>Statement Dates 15<sup>th</sup> Workday</u>
January	01/16/2026	01/23/2026
February	02/17/2026	02/23/2026
March	03/16/2026	03/20/2026
April	04/15/2026	04/21/2026
May	05/15/2026	05/21/2026
June	06/15/2025	06/22/2026
July	07/16/2026	07/22/2026
August	08/17/2026	08/21/2026
September	09/11/2026	09/22/2026
October	10/16/2026	10/22/2026
November	11/17/2026	11/23/2026
December	12/15/2026	12/21/2026

# CBP Announces Tariff Revenue for 2025

Country of Origin: All Countries

- Customs and Border Protection has released that between January 20<sup>th</sup>, 2025 to December 15<sup>th</sup>, 2025 they had collected more than \$200 billion in tariffs.
  - This covers the more than 40 executive orders that the Trump Administration put in place in 2025.
  - CBP attributes a portion of the duty recovered to stricter focus on tariff evasion schemes. This focus includes misclassification, anti-dumping, incorrect claiming of tariff exemptions, and transshipment of goods to claim an incorrect country of origin.
  - E-Allegations from the trade community had nearly 1200 revenue-focused instances that CBP is currently investigating to make sure there is a fair market for US businesses that choose to abide by the laws that govern tariffs.
- Customs and Border Protection also announced that they have collected over \$1 billion in duties on shipments that previously were eligible for de minimis.
  - Previously shipments that were \$800 or less in value arrived the US duty free. On May 2, 2025 that exemption was removed for China and Hong Kong and then extended on August 29<sup>th</sup>, 2025 to remove the exemption from all countries.
  - “Reaching the \$1 billion milestone so quickly shows just how much revenue was slipping away under the old rules,” said CBP Commissioner Rodney S. Scott in a statement.

# Switzerland-Liechtenstein and US Trade Framework

Effective Date: November 14<sup>th</sup>, 2025

Country of Origin: Switzerland-Liechtenstein

- The Office of U.S. Trade Representative (USTR) released on December 17<sup>th</sup>, 2025 guidance on how to implement the Switzerland-Liechtenstein and US Trade Framework. The Federal Register notice can be found here [2025-23316.pdf](#).
- The below reciprocal IEEPA changes for Switzerland and Liechtenstein were made retroactive to November 14<sup>th</sup>, 2025.
  - For a covered product of Switzerland with a Column 1 duty rate greater than or equal to 15% ad valorem, the additional Reciprocal tariff is zero.
  - For a covered product of Switzerland with a Column 1 duty rate less than 15% ad valorem, the combined Column 1 and additional Reciprocal tariff rate is 15% ad valorem.
  - For a covered product of Liechtenstein with a Column 1 duty rate greater than or equal to 15% ad valorem, the additional Reciprocal tariff is zero.
  - For a covered product of Liechtenstein with a Column 1 duty rate less than 15% ad valorem, the combined Column 1 and additional Reciprocal tariff rate is 15% ad valorem.
- The below exemptions from the reciprocal IEEPA for Switzerland and Liechtenstein were made retroactive to November 14<sup>th</sup>, 2025.
  - Certain products, including certain agricultural goods, unavailable natural resources, generic pharmaceuticals and their ingredients and chemical precursors, and articles of civil aircraft that are products of Switzerland or of Liechtenstein found in ANNEX 1 here [2025-23316.pdf](#).
- CBP advised, “Filers should take action to correct previously filed entries as necessary to reflect the modified duty rate applicable under the HTSUS provisions above as soon as possible. For unliquidated entries for which estimated duties have already been deposited, importers may file a post summary correction (PSC) to request a refund. Upon PSC approval, the refund will be issued at liquidation. For liquidated entries, importers may request a refund by filing a protest within 180 days after liquidation.”

# Enforcement of ISPM-15 Marking Requirements

Effective Date: January 1<sup>st</sup>, 2026

Country of Origin: All Countries

- The USDA Animal and Plant Health Inspection Service (APHIS) has reminded the trade industry that the temporary suspension of exact compliance to ISPM-15 marking requirements on wood packaging ends on December 31<sup>st</sup>, 2025. The notice can be found here [Stakeholder Reminder: Suspension of ISPM 15 Hyphen Requirement Ends December 31, 2025 | Animal and Plant Health Inspection Service](#).
- Specifically, they stated the ISPM-15 requirement for a hyphen separating the country code from the facility code as part of the international standards. In March, APHIS suspended the enforcement of the hyphen requirement because so many import shipments were missing the hyphen during that time.
- Full compliance on all wood packaging material will be fully enforced beginning on January 1<sup>st</sup>, 2026. No exceptions will be given by APHIS.
- The following actions may apply to non-compliant shipments:
  - Cargo may be held at the port of arrival. Depending on port operations and capacity, separation of the WPM from the cargo may be offered, allowing the WPM to be exported while the cargo is retained.
  - Re-export may be required. If separation is not feasible or corrective action is unavailable, the shipment may be refused entry and require full re-export.
  - Penalties may be assessed. CBP may assess penalties under Title 19, depending on the nature of the violation.
  - Reconditioning options. If a compliance company becomes operational for Shredder/Hammermill, that could provide a viable reconditioning pathway. However, at this time, companies are still in the process of sourcing the necessary equipment, and no compliance agreements have been issued.
- For shipments currently en-route with noncompliant WPM but will not arrive in the U.S. prior to December 31<sup>st</sup>, 2025 importers have two options.
  - Divert the shipment to another country where the WPM can be reconditioned to meet compliance standards.
  - Self-report the noncompliance to APHIS and CBP and initiate the process in advance. This proactive approach may help expedite handling upon arrival.

# USTR Section 301 Tariffs on Nicaraguan Products

Effective Date: December 10<sup>th</sup>, 2025

Country of Origin: Nicaragua

- The Office of U.S. Trade Representative (USTR) released the approval of Section 301 tariffs on Nicaraguan products citing Nicaragua's continued human rights abuses and disregard for law. The Federal Register Notice can be found here [Nicaragua Section 301 Notice of Action FRN 12-10-2025 Signed.pdf](#).
- The USTR based this decision on over 2000 public comments, consulting with government agency experts, and USTR advisors. The USTR Section 301 report can be found here [Nicaragua Section 301 Report 0.pdf](#).
- Below is the timeline for the tariffs but it could be modified if Nicaragua does not show progress on remedying the issues.
  - Effective January 1<sup>st</sup>, 2026 the duty amount is 0%.
  - Effective January 1<sup>st</sup>, 2027 the duty amount is 10%.
  - Effective January 1<sup>st</sup>, 2028 the duty amount is 15%.
- The USTR believes “this action balances the need for action and the importance of limiting disruption for the U.S. businesses”.
- This tariff is in addition to all other duties that apply.
- Products that originate under the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) will be exempt from this tariff.

# Korea and United States Trade Framework

Effective Date: December 4<sup>th</sup>, 2025

Country of Origin: South Korea

- The Federal Register published on December 4<sup>th</sup>, 2025 implementation of certain tariff related elements of the U.S. and South Korea Strategic Trade and Investment Deal which can be found here [Federal Register :: Implementing Certain Tariff-Related Elements of the U.S.-Korea Strategic Trade and Investment Deal](#).
- The U.S. has reduced its Section 232 tariffs for such products with a KORUS or MFN tariff rate equal to or greater than 15 percent, no additional Section 232 tariff will apply; otherwise, the sum of the KORUS or MFN tariff and the additional Section 232 tariff will be 15 percent on the below items
  - Section 232 Automobiles and Auto Parts – This is applied retroactively to entries entered on November 1<sup>st</sup>, 2025 and later.
  - Section 232 Timber, Lumber, and Wood Derivatives - This is applied retroactively to entries entered on November 14<sup>th</sup>, 2025 and later.
- The Special Program Indicator (SPI) “KR” must be present to make the duty determination based on the Column 1- Special duty rate under the Korean Free Trade Agreement (KORUS).
- For any product of South Korea subject to a specific or compound rate of duty under column 1, the ad valorem equivalent rate of duty of such product is determined by dividing the amount of duty payable under column 1 by the customs value of the product. For example, if a product were subject to a specific duty of 50 cents per kilogram, and one kilogram of the product were entered with a customs value of \$10, then the ad valorem equivalent rate of duty would be obtained by dividing 50 cents by \$10, yielding 5%.
- The reciprocal tariff for products of South Korea, entered for consumption or withdrawn from warehouse for consumption on or after 12:01 a.m. ET Nov. 14, 2025, is dependent on the Column 1 ad valorem (or ad valorem equivalent) duty rate applicable.
  - For a product of South Korea with a Column 1 (General or Special, whichever is applicable) duty rate greater than or equal to 15% ad valorem, the additional Reciprocal tariff is zero.
  - For a product of South Korea with a Column 1 (General or Special, whichever is applicable) duty rate less than 15% ad valorem, the combined Column 1 and Reciprocal tariff rate is 15% ad valorem.

# Korea and United States Trade Framework Page 2

Effective Date: December 4<sup>th</sup>, 2025

Country of Origin: South Korea

- Effective for articles of civil aircraft (all aircraft other than military aircraft); their engines, parts, and components; their other parts, components, and subassemblies; and ground flight simulators and their parts and components that are the products of South Korea, excluding unmanned aircraft, that otherwise meet the criteria of General Note 6 of HTSUS (Articles Eligible for Duty-Free Treatment Pursuant to the Agreement on Trade in Civil Aircraft), and are classified in the HTSUS classifications listed in subdivision (vi)(xviii)(b) of U.S. note 2 to subchapter III of chapter 99 of the HTSUS, but regardless of whether a product is entered under a provision for which the rate of duty “Free (C)” appears in the “Special” sub column, entered for consumption or withdrawn from warehouse for consumption on or after 12:01 a.m. eastern time on Nov. 14, 2025, the additional tariffs listed below are no longer applicable.
  - Executive Order 14257 of April 2, 2025 (Regulating Imports With a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits), as amended;
  - Proclamation 9704 of March 8, 2018 (Adjusting Imports of Aluminum Into the United States), as amended;
  - Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel Into the United States), as amended;
  - Proclamation 10962 of July 30, 2025 (Adjusting Imports of Copper Into the United States), as amended.
- **Importers of Record should take action to instruct their Customs Brokers to correct previously filed entries as necessary to reflect the modified duty rate applicable under the HTSUS provisions above as soon as possible. For unliquidated entries for which estimated duties have already been deposited, importers may file a post summary correction (PSC) to request a refund. Upon PSC approval, the refund will be issued at liquidation. For liquidated entries, importers may request a refund by filing a protest within 180 days after liquidation in accordance with 19 U.S.C. 1514.**

# Exemption for Brazil Human Rights Violation IEEPA

Effective Date: November 13<sup>th</sup>, 2025

Country of Origin: Brazil

- President Trump announced on November 20<sup>th</sup>, 2025 that he is exempting certain Agricultural Products from the Brazilian IEEPA due to violation of human rights. The Executive Order can be found here [Modifying the Scope of Tariffs on the Government of Brazil – The White House](#).
- President Trump participated in a call with Brazilian President Luiz Inacio Lula da Silva in which they agreed to begin negotiations to address the human rights concerns. He also received additional information that certain agricultural imports from Brazil should not be subject to the additional 40% instated in EO 14323.
- The below items were exempted from reciprocal tariffs on any entries submitted to CBP on or after November 13<sup>th</sup>, 2025. If you have an entry that contains these products that was cleared on or after this date you should arrange a correction immediately.
  - Etrogs (classifiable in subheading 0805.90.01)
  - Tropical fruit, nesoi, frozen, whether or not previously steamed or boiled (classifiable in subheading 0811.90.80)
  - Date palm branches, Myrtus branches, or other vegetable material for religious purposes only (classifiable in subheading 1404.90.90)
  - Bread, pastry, cakes, biscuits and similar baked products, nesoi, and puddings, whether or not containing chocolate, fruit, nuts or confectionery, for religious purposes only (classifiable in subheading 1905.90.10)
  - Bakers' wares, communion wafers, empty capsules suitable for pharmaceutical use, sealing wafers, rice paper and similar products, nesoi, for religious purposes only (classifiable in subheading 1905.90.90)
  - Acai (classifiable in subheading 2008.99.21)
  - Citrus juice of any single citrus fruit (other than orange, grapefruit or lime), of a Brix value not exceeding 20, concentrated, unfermented, except for lemon juice (classifiable in subheading 2009.31.60)
  - Coconut water or juice of acai (classifiable in subheading 2009.89.70)
  - Coconut water (classifiable in subheading 2009.90.40)
  - Acai preparations for the manufacture of beverages (classifiable in subheading 2106.90.99)
  - Essential oils other than those of citrus fruit, other, nesoi, for religious purposes only (classifiable in subheading 3301.29.51)

# Agricultural Products Exempt from Reciprocals

Effective Date: November 13<sup>th</sup>, 2025

All Countries

- President Trump announced on November 14<sup>th</sup>, 2025 that he is exempting certain Agricultural Products from Reciprocal tariffs. The Executive Order can be found here [Modifying the Scope of the Reciprocal Tariff with Respect to Certain Agricultural Products – The White House](#).
- President Trump received additional information and recommendations for certain Agricultural products that are in domestic demand that should be exempted from Reciprocal tariffs and chose to add them to ANNEX II which can be found here [annex.pdf](#).
- The below items were added to ANNEX II of the Executive Order 14257 which will cause them to be exempted from reciprocal tariffs on any entries submitted to CBP on or after November 13<sup>th</sup>, 2025. If you have an entry that contains these products that was cleared on or after this date you should arrange a correction immediately.
  - Etrogs (classifiable in subheading 0805.90.01)
  - Tropical fruit, nesoi, frozen, whether or not previously steamed or boiled (classifiable in subheading 0811.90.80)
  - Date palm branches, Myrtus branches, or other vegetable material for religious purposes only (classifiable in subheading 1404.90.90)
  - Bread, pastry, cakes, biscuits and similar baked products, nesoi, and puddings, whether or not containing chocolate, fruit, nuts or confectionery, for religious purposes only (classifiable in subheading 1905.90.10)
  - Bakers' wares, communion wafers, empty capsules suitable for pharmaceutical use, sealing wafers, rice paper and similar products, nesoi, for religious purposes only (classifiable in subheading 1905.90.90)
  - Acai (classifiable in subheading 2008.99.21)
  - Citrus juice of any single citrus fruit (other than orange, grapefruit or lime), of a Brix value not exceeding 20, concentrated, unfermented, except for lemon juice (classifiable in subheading 2009.31.60)
  - Coconut water or juice of acai (classifiable in subheading 2009.89.70)
  - Coconut water (classifiable in subheading 2009.90.40)
  - Acai preparations for the manufacture of beverages (classifiable in subheading 2106.90.99)
  - Essential oils other than those of citrus fruit, other, nesoi, for religious purposes only (classifiable in subheading 3301.29.51)

# Additional Reciprocal Trade Agreements

## Argentina Announced November 14<sup>th</sup>, 2025

- President Trump announced the reciprocal trade agreement framework with Argentina has been reached. It can be found here [Joint Statement on Framework for a United States-Argentina Agreement on Reciprocal Trade and Investment – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 10%. No tariff rates have been changed yet, but the United States will remove the reciprocal tariffs on certain unavailable natural resources and non-patented articles for use in pharmaceutical applications. It is stated that the US will consider the effect of the security agreement when taking trade action under Section 232 expansion.

## Ecuador Announced November 14<sup>th</sup>, 2025

- President Trump announced the reciprocal trade agreement framework with Ecuador has been reached. It can be found here [Joint Statement on Framework for United States-Ecuador Agreement on Reciprocal Trade – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 15%. No tariff rates have been changed yet, but the United States commits to remove the reciprocal tariffs on certain qualifying exports from Ecuador that cannot be grown, mined, or naturally produced in the United States in sufficient quantities.

## El Salvador Announced November 14<sup>th</sup>, 2025

- President Trump announced the reciprocal trade agreement framework with El Salvador has been reached. It can be found here [Joint Statement on Framework for United States-El Salvador Agreement on Reciprocal Trade – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 10%. No tariff rates have been changed yet, but the United States will remove the reciprocal tariffs on El Salvador's exports to the United States for certain qualifying exports that cannot be grown, mined, or naturally produced in the United States in sufficient quantities, as well as certain products, such as textiles and apparel products, originating under the CAFTA-DR. It is stated that the US will consider the effect of the security agreement when taking trade action under Section 232 expansion.

## Guatemala Announced November 14<sup>th</sup>, 2025

- President Trump announced the reciprocal trade agreement framework with Guatemala has been reached. It can be found here [Joint Statement on Framework for United States-Guatemala Agreement on Reciprocal Trade – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 10%. No tariff rates have been changed yet, but the United States will remove the reciprocal tariffs on Guatemala's exports to the United States for certain qualifying exports that cannot be grown, mined, or naturally produced in the United States in sufficient quantities, as well as certain products, such as textiles and apparel products, originating under the CAFTA-DR.

# Reciprocal Trade Agreements

Effective Date : October 26<sup>th</sup>, 2025

## Malaysia

- President Trump announced the reciprocal trade agreement with Malaysia has been reached. It can be found here [Agreement Between the United States of America and Malaysia on Reciprocal Trade – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 19%. No tariff rates have been changed yet, but the US is evaluating if any tariffs can be added to ANNEX III of the Sept 5<sup>th</sup> Executive Order that could receive the 0% reciprocal tariff. The Malaysian market will be opened to US exports which will provide preferred access for US agricultural and industrial goods.

## Vietnam

- President Trump announced the reciprocal trade agreement with Vietnam has been reached. It can be found here [Joint Statement on United States-Vietnam Framework for an Agreement on Reciprocal, Fair, and Balanced Trade – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 20%. No tariff rates have been changed yet, but the US is evaluating if any tariffs can be added to ANNEX III of the Sept 5<sup>th</sup> Executive Order that could receive the 0% reciprocal tariff. Vietnam has eliminated tariffs and barriers for US exports of agricultural and industrial goods.

## Cambodia

- President Trump announced the reciprocal trade agreement with Cambodia has been reached. It can be found here [Joint Statement on United States-Cambodia Agreement on Reciprocal Trade – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 19%. No tariff rates have been changed yet, but the US is evaluating if any tariffs can be added to ANNEX III of the Sept 5<sup>th</sup> Executive Order that could receive the 0% reciprocal tariff. Cambodia has removed all tariffs on US goods which means US exports will not face any duty.

## Thailand

- President Trump announced the framework for a reciprocal trade agreement with Thailand has been reached. It can be found here [Joint Statement on a Framework for a United States-Thailand Agreement on Reciprocal Trade – The White House](#)
- There was no change to the Reciprocal IEEPA which is currently 19%. No tariff rates have been changed yet, but the US is evaluating if any tariffs can be added to ANNEX III of the Sept 5<sup>th</sup> Executive Order that could receive the 0% reciprocal tariff. Thailand has eliminated tariffs and barriers on 99% of US exports.

# Updates on China Origin Products

Effective Date : November 10th, 2025

Country of Origin: China

- On October 30<sup>th</sup>, 2025 President Trump rated the meeting with Xi Jinping a 12 out of 10. Below are the minimal details that have been shared.
  - China will suspend recent export controls on critical minerals/rare earths that were the cause for the threat of the 100% tariff increase for China origin goods.
  - President Trump has agreed to lower the Fentanyl IEEPA tariff from 20% to 10% with the agreement from China to continue their efforts to stop Fentanyl chemicals from being shipped to the United States.
  - The 100% duty increase did not become effective on November 1<sup>st</sup>, 2025.
  - Section 301 exclusions will not expire on November 29<sup>th</sup>, 2025 and are now extended to November 10<sup>th</sup>. 2026.
- October 10<sup>th</sup>, 2025 President Trump posted on Truth Social regarding a 100% tariff increase “over and above any Tariff they are currently paying”. The post can be found here. [Truth Details | Truth Social](#)
- President Trump also advised that Export Controls on “any and all critical software” will also be imposed on exports to China effective November 1<sup>st</sup>, 2025.
- It is stated that depending on any further actions or changes by China this could be effective earlier than November 1<sup>st</sup>, 2025.
- This is in response to China taking an “extraordinarily aggressive position on Trade” by imposing large scale Export Controls on almost all products they manufacture. President Trump has stated this affects “ALL Countries” and was devised by China “years ago”.
- It is believed that this will affect most Chinese imports into the U.S. with very few if any exemptions.
- Treasury Secretary Scott Bessent said he and Chinese Vice Premier He Lifeng will meet in the week of October 26<sup>th</sup> through November 1<sup>st</sup>, 2025.
- President Trump advised when asked that such high tariffs are “not sustainable, but that is what the number is” when referring to the 100% tariff and that “They forced me to do that”. He was referring to China implementing drastic export controls on rare earth elements.
- **Details are expected to be included in the Executive Proclamations or Federal Register Notices when they are released.**

# Section 232 Heavy and Medium-Duty Vehicles and Parts

## Page 1

Effective Date : November 1<sup>st</sup>

All Countries

- President Trump issued an Executive Proclamation on October 17<sup>th</sup>, 2025 that adds heavy-duty vehicles, medium-duty vehicles, buses, other vehicles under HTS chapter 8702, and their parts to Section 232 on November 1<sup>st</sup>, 2025. Found here [Adjusting Imports Of Medium- And Heavy-Duty Vehicles, Medium- And Heavy-Duty Vehicle Parts, And Buses Into The United States – The White House.](#)
- Heavy-duty vehicles, medium-duty vehicles, and their parts will be subject to 25% additional duty on November 1<sup>st</sup>, 2025.
- Buses and other vehicles under HTS chapter 8702 will be subject to 10% additional duty on November 1<sup>st</sup>, 2025.
- Classifications subject to this order can be found here [2025MediumandHeavyDutyVehicles.Parts .Buses .section232.prc .rel-ANNEX.pdf.](#)
- The duty applied due to this order is in addition to duties, taxes, fees, exactions, and charges applicable to such products.
- USMCA eligible goods are currently exempt until the Secretary of Commerce and Customs and Border Protection establish a process to apply the tariff exclusively to the value of the non-United States content of such heavy and medium-duty vehicles and their parts and publishes a notice in the Federal Register.
- Imports of heavy and medium-duty vehicle “knock down kits” or equivalent parts compilations was determined by Customs and Border Protection to be subject to the additional duty imposed by this proclamation regardless of the USMCA eligibility.
- Except for buses and other vehicles classified in HTS chapter heading 8702, the proclamation allows importers of heavy and medium duty vehicles that qualify for USMCA to submit documentation to the Secretary of Commerce identifying the amount of United States origin content in each model imported into the United States. Then the Secretary of Commerce may approve imports of heavy and medium duty vehicles and their parts to be eligible to apply the 25% duty rate exclusively to the value of the non-United States content.

# Section 232 Heavy and Medium-Duty Vehicles and Parts

## Page 2

Effective Date : November 1<sup>st</sup>

All Countries

- The proclamation advised, “incentivizes domestic medium- and heavy-duty truck production by offering an offset to a portion of tariffs for medium- and heavy-duty truck parts equal to 3.75% of the aggregate value of all trucks assembled in the United States from 2025 through 2030. This percentage reflects the duty that would be owed when a 25% tariff is applied to 15% of the value of a U.S.-assembled medium- and heavy-duty truck.”
  - This offset applies to duties owed by importers/manufacturers of heavy and medium-duty vehicle parts.
  - An equivalent offset program will also be established for medium- and heavy-duty truck engine manufacturers based on the value of medium- and heavy-duty truck engines assembled in the United States.
- The proclamation also states, “Recognizing that medium- and heavy-duty truck and automobile industries share many common suppliers and structural similarities across their supply chains, this Proclamation adjusts the Section 232 automobile tariff program to harmonize that tariff program with the program established for the medium- and heavy-duty truck industry”.
  - The proclamation also extends the import adjustment offset program for automobile manufacturers through 2030. They will be able to offset a portion of the tariffs on automobile parts equal to 3.75% of the Manufacturer’s Suggested Retail Price of automobiles they assemble in the United States. The percentage encompasses the duty that would be owed when a 25% tariff is applied to 15% of the value of a US assembled automobile.
- Items applicable to this proclamation are not subject to the duties owed under Section 232 steel, aluminum, copper, automobiles and auto parts, and lumber.
- Items applicable to this proclamation are not subject to the duties owed under IEEPA tariffs for Canada, Mexico, Brazil, or India.

# Consumer Product Safety Commission E-Filing

Effective Date : July 8<sup>th</sup>, 2026

All Countries

- E-filing of Consumer Product Safety Commission (CPSC) certificates become mandatory on July 8<sup>th</sup>, 2026.
- The process for filing these CPSC certificates electronically is not an easy process. It can take up to 10-12 months to master.
- Importers should begin thinking about the flow of certificate data and how they will comply with this mandate.
  - Will the importer file through the CPSC Product Registry.
  - Will the importer file by providing the data through the PGA Message Set.
- Consumer product certifications have been required since 2008. This mandate is changing how CPSC will receive the certifications to E-filing.
- CPSC has developed a “Regulatory Robot” tool to determine the requirements that apply. Found here [Safer Products Start Here! | CPSC.gov](#).
- The CPSC Product Registry provided importers with a secure online application where they can create, organize, store and manager the product certificate data. A reference message set will need to be transmitted when filing the entry to Customs and Border Protection.
- This is currently in a voluntary stage which if enrolled today provides a non-risk way of preparing for the full implementation July 8<sup>th</sup>, 2026. This also allows importers to prepare their internal systems and processes that they will need to eFile product certificate data elements.
- Participating now allows importers to provide feedback to CPSC to shape and improve the e-filing system before the process is mandatory.
- More information can be found here [eFiling – CPSC’s Modern Approach for Filing Certificate Data | CPSC.gov](#).

# Increases In CBP Requests for Shipment Information

## All Countries

- The President and CEO of the American Association of Exporters and Importers (AAEI) told the Virginia Maritime Association's International Trade Symposium on October 15<sup>th</sup>, 2025 that importers are dealing with an influx of requests for information also known as Customs Form 28 from Customs and Border Protection.
- Many of the Customs Form 28s are leading to notices of decisions which are known as Custom Form 29, which inform importers to correct a wide variety of non-compliance. Some of those items are misclassifications, valuation changes, country of origin determinations, and free trade agreement eligibility.
- "Folks that have been in the customs business for many years have seen more 28s and 29s on a daily basis than ever, and this is alarming for companies," Laney said. "They haven't seen anything like this."
- CBP is scrutinizing country of origin determinations down to the raw material level. This leaves importers needing to divert or hire labor to figure out values and content of all their items.
- On October 10<sup>th</sup>, 2025 Gabrielle Griffith the director of BPE Global a trade advisory firm advised the Journal of Commerce "What's changed is the data analytics," she said. "There has been quite an enhancement to the data analytics CBP is using to comb shipments to target investigations."
- This shifts CBP questioning from a "will it happen" to a "when it happens" frame of mind. Meaning, importers should be preparing to defend their valuation of products including Section 232 content values, determination of origin on their products, and the classifications of their products.
- In a constantly changing tariff environment, the need to have compliance individuals with a commitment to adjusting the sails and digging deep into the changes being issued by the Trump Administration is a need for all companies who choose to participate in international shipping and acting as importers of records.
- The DOJ issued a press release an importer and two of its executives were sentenced to prison for duty evasion of more than \$8.4 million in customs duties on imported goods. The DOJ advised that the company and executives avoided customs duties and tariffs by purchasing good from overseas manufacturers but then submitted false information to CBP that understated the true value of the imported items.
  - The company's President was sentenced to 103 months in federal prison, fined \$8 million, and ordered to pay restitution of over \$19 million.
  - One of the company's officers was sentenced to 84 months in federal prison, fined \$500,000, and ordered to pay restitution.

# Section 232 for Pharmaceuticals

## Effective Date Unknown

### All Countries

- On September 25th, 2025 President Trump posted on Truth Social that there would be a 100% tariff imposed on branded and patented pharmaceutical products effective October 1<sup>st</sup>, 2025. The post can be found here [Truth Details | Truth Social](#)
- President Trump advised if the importing company “is building” a Pharmaceutical Manufacturing Plant in America they will be exempt. “Is building” is defined as breaking ground and construction is started.
- **Details are expected to be included in the Executive Proclamations or Federal Register Notices when they are released.**

# U.S. and European Union Trade Agreement Framework

- Effective September 1st, 2025
- On September 24th, 2025 the Federal Register Notice was published including the details of implementation of the EU and US Trade agreement.
- The Federal Notice including ANNEX I and ANNEX II which contains the European Union specific products that are exempt from the 15% Reciprocal Tariff is here. [2025-18660.pdf](#)
- For automobiles and auto parts that are the product of an EU member country with an Ad Valorem or MFN duty rate greater than or equal to 15% ad valorem, the additional **Section 232** duty rate is zero (0).
- For automobiles and auto parts that are the product of an EU member country with an Ad Valorem or MFN duty rate less than 15% ad valorem, the combined Column 1 and additional **Section 232** duty rate is 15% ad valorem.
- For a product of an EU member country with a Column 1 duty rate greater than or equal to 15% ad valorem, the additional Reciprocal tariff is zero (0).
- For a product of an EU member country with a Column 1 duty rate less than 15% ad valorem, the combined Column 1 and Reciprocal tariff rate is 15% ad valorem.
- Any entries submitted on or after September 1<sup>st</sup>, 2025 can be corrected with a post summary correction to obtain the duty savings.
- The European Union will eliminate tariffs on all U.S. industrial goods and provide preferential market access for U.S. seafood and agricultural goods.
- Effective September 1<sup>st</sup>, 2025 the U.S. committed to applying only the MFN/Ad Valorem rate to the below products:
  - Unavailable Natural Resources (including cork)
  - All Aircrafts and Aircraft Parts
  - Generic Pharmaceuticals and their Ingredients/ Chemical Precursors
  - All items this applies to are in ANNEX I and ANNEX II found here [2025-18660.pdf](#).

# Reciprocal IEEPA Non-Trade Agreement Countries

- **Non-Trade Agreement Countries**

- Effective August 7<sup>th</sup>, 2025
- President Trump issued an EO on September 5<sup>th</sup>, 2025 modifying the scope of ANNEX II list of reciprocal tariffs which becomes effective on September 8<sup>th</sup>, 2025. [Modifying The Scope of Reciprocal Tariffs and Establishing Procedures for Implementing Trade and Security Agreements – The White House](#)
- Some goods have been added to ANNEX II, which means they are no longer subject to reciprocal tariffs. These include Bullion-related articles, certain critical minerals, and pharmaceutical products subject to pending Section 232 investigations.
- Some goods have been removed from ANNEX II, which means they are subject to reciprocal tariffs. These include aluminum hydroxide, resin, and silicone products. ANNEX II can be found here [ANNEX-II.pdf](#)
- On July 31<sup>st</sup>, 2025 President Trump issued an EO further amending the Reciprocal IEEPA tariff rates for countries that have not reached a trade agreement as of August 1<sup>st</sup>, 2025. The EO can be viewed here [Further Modifying the Reciprocal Tariff Rates – The White House](#)
- The changes are divided into two categories.
  - ANNEX I which are rates for countries that have agreed to or are on the verge of concluding meaningful trade and security agreements with the U.S.. The rates in ANNEX I are in effect until the agreements are concluded.
  - ANNEX II which are rates for countries that have despite having engaged in negotiations, have offered terms that, in President Trump's judgment, do not sufficiently address imbalances in trading relationships or have failed to align sufficiently with the United States on economic and national-security matters. This also includes countries that have failed to engage in negotiations with the United States or to take adequate steps to align sufficiently with the United States on economic and national security matters. Annex II can be found here [2025ReciprocalTariffs\\_7.31.eo\\_.pdf](#).
- Any countries not in ANNEX I are still subject to the 10% Reciprocal IEEPA previously imposed with EO 14257 in addition to above ANNEX II duty.
- There is an exemption that applies to goods loaded on a vessel at the port of loading, and in transit on the final mode of transit before August 7<sup>th</sup>, 2025.
- Shipments that are loaded on the final mode of transit before August 7<sup>th</sup>, 2025 must also be cleared by CBP before or on October 5<sup>th</sup>, 2025.
- The exemption does not include:
  - Goods loaded on a vessel prior to August 7<sup>th</sup>, 2025, but on or after August 7<sup>th</sup>, 2025 are transloaded onto a vessel bound for the U.S.
  - Goods loaded on the rail, truck, or airplane prior to August 7<sup>th</sup>, 2025 but arrive to the U.S. on or after August 7<sup>th</sup>, 2025.

# Reciprocal IEEPA Non-Trade Agreement Countries ANNEX I

- **Non-Trade Agreement Countries**
- Effective August 7<sup>th</sup>, 2025
- **ANNEX I Information**
  - 0% **European Union and Japan: Goods with Column 1 Duty Rate greater than 15%**
  - 15% minus Column 1 Duty Rate **European Union and Japan: Goods with Column 1 Duty Rate less than 15%**
  - 10% **Brazil (Has additional 40% IEEPA), Falkland Islands, and United Kingdom**
  - 15% **Afghanistan, Angola, Bolivia, Botswana, Cameroon, Chad, Costa Rica, Cote d'Ivoire, Democratic Republic of Congo, Ecuador, Equatorial Guinea, Fiji, Ghana, Guyana, Iceland, Israel, Jordan, Lesotho, Liechtenstein, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Nauru, New Zealand, Nigeria, North Macedonia, Norway, Papua New Guinea, South Korea, Trinidad and Tobago, Turkey, Uganda, Vanuatu, Venezuela, Zambia, and Zimbabwe**
  - 18% **Nicaragua**
  - 19% **Cambodia, Indonesia, Malaysia, Pakistan, Philippines, and Thailand**
  - 20% **Bangladesh, Sri Lanka, Taiwan, and Vietnam**
  - 25% **Brunei, India, Kazakhstan, Moldova, and Tunisia**
  - 30% **Algeria, Bosnia and Herzegovina, Libya, and South Africa**
  - 35% **Iraq and Serbia**
  - 39% **Switzerland**
  - 40% **Laos, Myanmar (Burma)**
  - 41% **Syria**

# Appellate Court Ruling Regarding CIT Ruling Appeal

- Appellate Court Ruling August 29<sup>th</sup>, 2025
- In a vote of 7 to 4 the Federal Circuit Court of Appeals ruled that President Trump’s executive orders instating additional tariffs using the International Emergency Economic Powers Act exceeded his power.
- The Court specifically stated, “The core Congressional power to impose taxes such as tariffs is vested exclusively in the legislative branch by the Constitution, tariffs are a core Congressional power.” The Court also held that IEEPA’s language of “regulate importation” does not extend to the President’s implementing broad and indefinite tariffs.
- President Trump’s Administration relied on the 1975 Yoshida case upholding President Nixon’s temporary tariffs via TWEA (Trading With the Enemy Act), but the court found the current IEEPA tariffs were broader and indefinite in duration. This coupled with the appellate court’s majority invoking “major questions doctrine” that requires a statement from Congress to allow widespread economic measures like tariffs is the main reasoning for upholding the Court of International Trade’s ruling on May 29<sup>th</sup>, 2025.
- All 5 executive orders imposing the IEEPA tariffs were struck down. And relief was ordered by ruling importers are legally entitled to refunds of tariffs paid by using the Customs and Border Protection standard refund procedures.
- This ruling applies to the below additional tariffs.
  - China Fentanyl IEEPA   Canada Fentanyl IEEPA   Mexico Fentanyl IEEPA   Reciprocal IEEPA
- This ruling does not apply to the below items.
  - India Russian Oil IEEPA   Brazil Violation of Human Rights IEEPA   Section 301   Section 232
- President Trump’s Administration has 90 days (Late November or December if extension is granted) to petition the Supreme Court for further appeal. If the Supreme Court grants certiorari (judicial review), a ruling is likely by June 2026. If it denies to review, then the ruling would be implemented. The 4 dissenting judges have left a path for the Supreme court to rule in President Trump’s favor if they agree. It is in the hands of the 9 Supreme Court justices to rule on which branches of the US government has the power to implement these types of changes using IEEPA.
- IEEPA tariffs will continue to be collected while the Supreme Court makes its decision. If the ruling is upheld, then importers could use post summary corrections or protests if necessary to request refunds from Customs and Border Protection. This process usually would take until mid to late 2026 at the earliest.
- **The Supreme Court has agreed to hear President Trumps Administration’s appeal starting the first week of November.**

# India IEEPA Due to Use of Russian Oil

- Effective August 27th, 2025
- President Trump issued an Executive Order on August 6<sup>th</sup>, 2025 advising that due to India's use of Russian Oil they will be receiving an additional duty rate of 25%. The Federal Register notice can be found here. [2025-16419.pdf](#)
- This duty will be in addition to the India Reciprocal IEEPA rate of 25% that was effective August 7th, 2025.
- Goods that are loaded on a vessel bound for the U.S on or before August 26th, 2025 and entry released with duty paid by September 17th, 2025 will be exempt.
- The exemption does not include:
  - Goods loaded on a feeder vessel prior to August 26<sup>th</sup>, 2025, but on or after August 26<sup>th</sup>, 2025 are transloaded onto a mother vessel bound for the U.S.
  - Goods loaded on the rail, truck, or airplane prior to August 26<sup>th</sup>, 2025 but arrive to the U.S. on or after August 27<sup>th</sup>, 2025.
- Additional Exemptions are:
  - Articles that are subject to Steel, Aluminum, Copper, or Automobiles and Parts Section 232.
  - Articles listed in ANNEX II of EO 14257 will be exempt. ANNEX II can be found here [Federal Register :: Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits](#)
  - Any postal, telegraphic, telephonic, or other personal communication, which does not involve a transfer of anything of value.
  - Donations, by persons subject to the jurisdiction of the United States, of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering.
  - Information or informational materials, including but not limited to, publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds.
  - Any transactions ordinarily incident to travel to or from any country, including importation of accompanied baggage for personal use, maintenance within any country including payment of living expenses and acquisition of goods or services for personal use, and arrangement or facilitation of such travel including nonscheduled air, sea, or land voyages.
- India's Finance Minister Nirmala Sitharaman stated, "India will continue to buy Russian Oil as it proves economical."

# Brazil IEEPA Due to Violation of Human Rights

- Effective August 6<sup>th</sup>, 2025
- President Trump issued an Executive Order July 30<sup>th</sup>, 2025 advising that Brazil will be subject to an additional 40% duty under the International Emergency Economic Powers Act. The Executive Order can be viewed here [Addressing Threats to The United States by the Government of Brazil – The White House](#)
- This is in addition to the Reciprocal IEEPA duty amount that is currently at 10%.
- Below are the exemptions that were listed in the Executive Order.
  - Goods in transit that were loaded on to a vessel at the port of loading and in transit on the final mode of transit prior to 12:01 a.m. ET Aug. 6, AND were entered for consumption, or withdrawn from warehouse for consumption before 12:01 a.m. ET on Oct. 5, 2025.
  - Goods provided for in 50 U.S.C. 1702(b) , which covers any postal, telegraphic, telephonic, or other personal communication; donations of food, clothing and medicine intended to relieve human suffering; merely informational materials; any transactions ordinarily incident to travel to or from any country, including importation of accompanied baggage for personal use.
  - Goods in Annex I, which includes a wide variety of goods such as silicon metal, pig iron, civil aircraft, Brazil nuts, orange juice, some energy products, wood pulps, certain paper, etc. Annex I is listed at the bottom of the Executive Order which is linked above.
  - Goods subject to section 232, which currently include steel, aluminum, automobiles & parts, and now copper (effective Aug. 1).
- It is specifically stated that if Brazil retaliates against the U.S. or the goods produced by the U.S. the President may increase or expand the scope of the tariffs.
- This use of the International Emergency Economic Powers Act is stated to be due to the Government of Brazil having taken unprecedented actions that harm and are a threat to the economy of the United States, conflict with and threaten the policy of the United States to promote free speech and free and fair elections at home and abroad and violate fundamental human rights.

# Section 301 Exclusions Extended

- Effective August 28<sup>th</sup>, 2025
- Federal Register Notice [FRN to Extend Exclusions to Nov 2025 - Final 08272025.pdf](#)
- The Office of the U.S. Trade Representative (USTR) announced the extension of exclusions in the Section 301 Investigation of China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation to November 29th, 2025. The exclusions were previously set to expire on August 31st, 2025.
- This is the second extension of Section 301 exclusions this year.
- For a list of the classifications covered by the Section 301 exclusions refer to Federal Notices 89 FR 46948 and 89 FR 76581 found here [Federal Register :: Notice of Extension of Certain Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) and [Federal Register :: Notice of Modification: China's Acts, Policies and Practices Related to Technology Transfer, Intellectual Property and Innovation](#)
- 178 exclusions are included in this extension. The exclusions will continue to apply to “any product that meets the description in the product exclusion.”
- No new exclusions were added in the Federal Register Notice issued on August 28<sup>th</sup>, 2025.
- The USTR has issued a Federal Register Notice outlining the process by which U.S. stakeholders may request that particular products classified within an HTSUS subheading currently subject to the Section 301 remedy be excluded from the additional Section 301 duties. The procedures to request a product exclusion can be found in Section B of the USTR's Federal Register Notice (83 FR 32181). [FRN exclusion process.pdf](#)

# Japan and United States Trade Deal

- Announced July 22<sup>nd</sup>, 2025 by President Trump stating the United States has established a trade deal with Japan.
- September 4<sup>th</sup>, 2025 President Trump signed an Executive Order to implement the trade agreement between Japan and the U.S.. Implementing The United States–Japan Agreement – The White House
- Effective August 7<sup>th</sup>, 2025. Federal Register :: Implementing the United States-Japan Agreement
- Within seven days of this EO's publication, the Commerce Secretary, in consultation with the International Trade Commission Chair and CBP Commissioner, will publish a notice in the Federal Register modifying the HTSUS consistent with this section. Note this is not yet effective.
- For Reciprocal duty rates a product with a current ad valorem rate of duty less than 15% the additional reciprocal duty will be the amount to bring the duty to a total of 15%. (Example: 3% Ad Valorem would receive at 12% duty increase to equal 15%)
- For Reciprocal duty rates a product with a current ad valorem rate of duty equal to or greater than 15% the additional reciprocal duty rate would be 0%.
- The above rates apply retroactively to products of Japan entered for consumption on or after August 7<sup>th</sup>, 2025. Any refunds shall be processed pursuant to applicable laws and Customs and Border Protections standard procedures for such refunds. **CBP has stated not to file Post Summary Corrections or Protests until they have released instructions on how those requests for refunds should be submitted.**
- For Section 232 Automobile and Automobile part duty rates a product with a current ad valorem rate of duty less than 15% the additional reciprocal duty will be the amount to bring the duty to a total of 15%. (Example: 3% Ad Valorem would receive at 12% duty increase to equal 15%)
- For Section 232 Automobile and Automobile part duty rates a product with a current ad valorem rate of duty equal to or greater than 15% the additional reciprocal duty rate would be 0%.
- Section 232 for Copper, Aluminum, and Steel was not affected by this order.
- The EO also allows the Secretary of Commerce to modify the reciprocal tariff rate to 0% for products of Japan “that are natural resources unavailable (or unavailable at sufficient scale to satisfy domestic demand) in the United States, generic pharmaceuticals, generic pharmaceutical ingredients, and generic pharmaceutical chemical precursors.”
- The EO also advised reciprocal tariffs and Section 232 Aluminum, Copper, and Steel tariffs will no longer apply to products of Japan that fall under the WTO agreement on Trade in Civil Aircraft, **except for unmanned aircraft.**

# Aluminum and Steel Section 232 Derivative Expansion

- Effective August 18<sup>th</sup>, 2025
- All Countries
- The Department of Commerce expanded the aluminum and steel HTS classifications that are subject to Section 232. This an additional amendment to President Trump's Executive Proclamation that was issued on February 10<sup>th</sup>, 2025. The proclamation did state that the Department of Commerce would be monitoring steel and aluminum derivative imports from other countries and expanding Section 232 applicability with necessary.
- At this link is a list of steel classifications that was issued by Customs and Border Protection reflecting all steel tariffs that are subject to Section 232. [Updated steelHTSlist 081525.docx](#)
- At this link is a list of aluminum classifications that was issued by Customs and Border Protection reflecting all steel tariffs that are subject to Section 232. [Updated aluminumHTSlist 081525.docx](#)
- Any classifications that are included in the above lists are Subject to Section 232 and will receive a duty increase of 50% on the steel and aluminum content in the articles. If the steel or aluminum content is not declared on the commercial documentation the entire value will be subject to the additional duties.
- If the content breakdown is provided on the commercial documentation the non-aluminum or non-steel content will not be subject to the Section 232 50% duty rate. The non-aluminum and non-steel content will be subject to the lower reciprocal IEEPA duty rate for the country of origin of the articles.
- Any content of articles that are subject to Steel or Aluminum Section 232 will be exempt from the IEEPA reciprocal tariff.
- Customs and Border Protection has acknowledged that their programming has had errors with their entry systems since this amendment was issued. As of August 21<sup>st</sup>, 2025 they believe the errors are corrected and entries submitted after 8:30 am CST will be processed correctly.

# Tariffs for Countries with Digital Service Taxes

- On August 25<sup>th</sup>, 2025, President Trump announced on Truth Social that he would be imposing tariffs on U.S. Imports from countries that have digital taxes, digital services legislation, and digital market regulations applied to American technology companies. It was also stated that export restrictions will be implemented on certain U.S. exports to subject countries. The post is here [Truth Details | Truth Social](#)
- The post read, “I put all Countries with Digital Taxes, Legislation, Rules, or Regulations, on notice that unless these discriminatory actions are removed, I, as President of the United States, will impose substantial additional Tariffs on that Country's Exports to the U.S.A., and institute Export restrictions on our Highly Protected Technology and Chips.”
- The President stated clearly that America and American Technology companies will no longer be the “piggy bank” or “doormat” for the World.
- Although no specific countries are mentioned, the post appears to be referencing that the European Union has current legislation applying digital taxes. The European Commission Spokeswoman Paula Pinho advised reporters, “It’s the sovereign right of the EU and its member states to regulate our economic activities on our territory that are consistent with our democratic values.” In response to the accusation that their Digital Services Act and Digital Markets Act are discriminatory to the U.S., EU Spokesman Thomas Regnier stated, “The DSA does not look at the color of a company, at the jurisdiction of a company, or at the owner of a company. The DSA and the DMA both apply to all platforms and companies operating in the EU irrespective of their place of establishment.”
- It is unclear if this disagreement will affect the EU and US trade agreement that is in process.
- Digital Service Taxes are currently being charged by many countries including Turkey (7.5%), Canada (3%), India (2%), United Kingdom (2%), Kenya (1.5%), and the European Union (3%).

# Current CBP Investigations

## ALL COUNTRIES OF ORIGIN

- President Trump stated on March 24<sup>th</sup>, 2025 that in the very near future he will announce tariffs on pharmaceuticals and semiconductors. The 232 investigations can be found here. [2025-06587.pdf](#) [2025-06591.pdf](#) The BIS is requesting public comments by May 7<sup>th</sup>, 2025. CBP reminded the pharmaceutical trade community specifically that declaring incorrect value on import or export documentation is trade evasion and CBP will fully pursue any violations to the fullest extent possible. [CBP reminds pharmaceutical trade community of their legal obligations in light of 'most-favored-nation' drug-pricing requirements | U.S. Customs and Border Protection](#)
- An Executive Order creating an investigation into critical minerals under Section 232 has been issued. A report is due by October 12, 2025. [Ensuring National Security and Economic Resilience Through Section 232 Actions on Processed Critical Minerals and Derivative Products – The White House](#)
- The Bureau of Industry and Security (BIS) initiated an investigation to determine the effects on the national security of imports of commercial aircraft and jet engines, and parts for commercial aircraft and jet engines. The pending Federal Register notice can be found here [Federal Register :: Public Inspection: National Security Investigation: Imports of Commercial Aircraft and Jet Engines and Parts for Commercial Aircraft and Jet Engines](#).
- The Department of Commerce has initiated a Section 232 review for Polysilicon imports and its derivatives. Polysilicon is crucial for electronics and solar power applications. The comment period ends on August 6<sup>th</sup>, 2025 [Federal Register :: Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Polysilicon and its Derivatives](#)
- The Department of Commerce has initiated a Section 232 review for UAS (Unmanned Aircraft Systems) to determine the effects on national security. The comment period ends on August 6<sup>th</sup>, 2025. [Federal Register :: Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Unmanned Aircraft Systems \(UAS\) and Their Parts and Components](#)
- The Department of Commerce (BIS) is accepting comments on the 232 investigations into Personal Protective Equipment, Medical Consumables, and Medical Equipment Including Devices. The comment period ends on October 17<sup>th</sup>, 2025. [Federal Register :: Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Personal Protective Equipment, Medical Consumables, and Medical Equipment, Including Devices](#)
- The Department of Commerce (BIS) is accepting comments on the 232 investigations into Robotics and Industrial Machinery. The comment period ends on October 17<sup>th</sup>, 2025. [Federal Register :: Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Robotics and Industrial Machinery](#)

# Importer Preparation Items

**The items in this publication are advisory and for information purposes only. Legal counsel should be consulted to establish scope and available actions for your business.**

- Items that could help an Importer of Record prepare for these changes are below:
  - Establish which of your goods are affected and ensure compliance
  - Have open conversations with your suppliers (Ask how they are planning on proceeding as shippers)
  - Consider alternative vendors outside of countries currently affected or affected less.
  - Encourage suppliers to use US origin steel and aluminum in derivative items
  - If you are not the direct buyer of the goods that you are importing research using “First Sale” rates on your commercial invoices. This can relieve duties paid by lowering the declared value. CBP has strict requirements for this process.
- Prior to signing fixed-rate contracts, evaluate the carrier's current fleet and future fleet of Chinese built vessels to determine possible financial impact.
- Remember, even when using a broker, you, the importer of record, are ultimately responsible for the data integrity of the entry documentation presented to CBP and all applicable duties, taxes and fees. Microsoft Word - iius.doc
- Be very careful in how you react as an importer to tariff increases. CBP is already issuing CF28's and CF29's to establish compliance to recent changes is in place. It is no longer an **if** they will catch a lack of compliance, it is **when** they catch it.
- A memo issued on May 12<sup>th</sup>, 2025, from the head of the Department of Justice's Criminal Division states they will be including “trade and customs fraudsters, including those who commit tariff evasion” as a priority in prosecuting corporate and white-collar crimes. It also includes a “Voluntary Disclosure Policy” to help companies to avoid criminal prosecution.
- **Keep a list of your shipments you have paid IEEPA tariffs on. Should the CIT ruling be upheld by the Court of Appeals that information will help you to file PSC's, Protests, and other filings to obtain refunds for duties paid should they become available.**

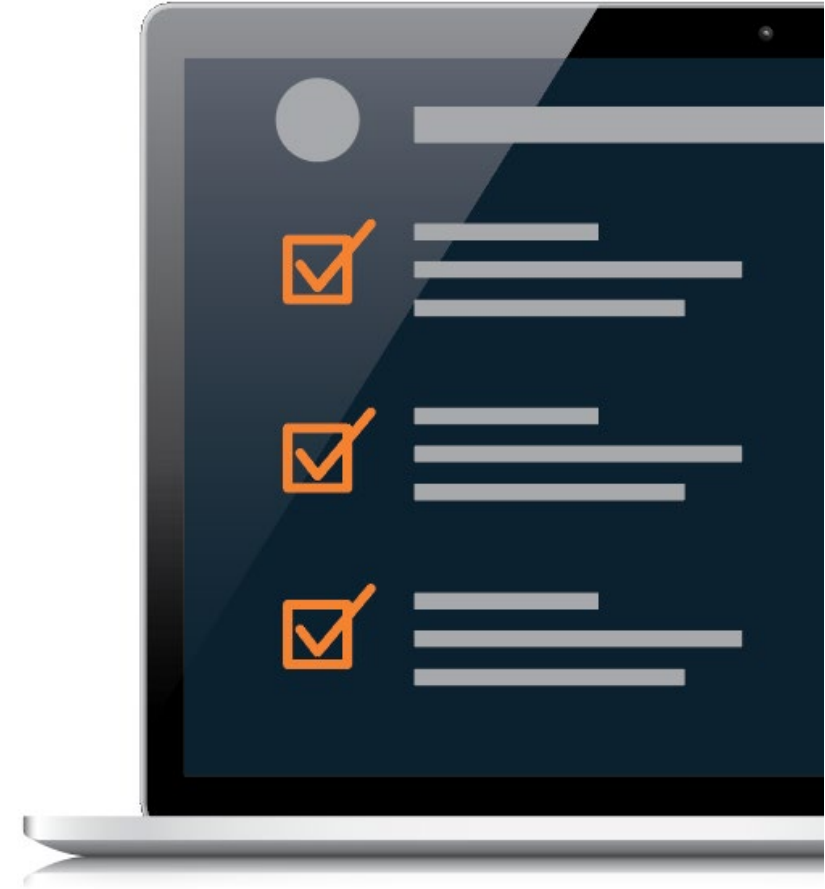
INTERNATIONAL UPDATES

# Next Steps

Executive orders, proclamations, and memorandums continue to be issued and/or changed at a frenetic pace. We understand how challenging it is to break down and interpret the information. We are hopeful this update will provide valuable insights in a meaningful way.

eShipping will continue sending weekly updates and we will do our best to work together to navigate this ever-changing and challenging situation.

Please contact your eShipping account manager if you have additional questions. Our account managers will work with our compliance and customs brokerage teams accordingly.



INTERNATIONAL UPDATES

# Archive Information For Review

# Tariff Stacking Page 2

## All Countries

### Effective June 4<sup>th</sup>, 2025

- New Priority order – effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on June 4, 2025, below is the new priority order of the five presidential actions identified in Executive Order 14289, as amended:
  - First 232 Auto/Auto Parts - Proclamation 10908 of March 26, 2025 (Adjusting Imports of Automobiles and Automobile Parts into the United States), as amended;
  - Second 232 Aluminum - Proclamation 9704 of March 8, 2018 (Adjusting Imports of Aluminum into the United States), as amended;
  - Third 232 Steel - Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel into the United States), as amended;
  - Fourth International Emergency Economic Powers Act (IEEPA) Canada - Executive Order 14193 of February 1, 2025 (Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border), as amended;
  - Fifth IEEPA Mexico - Executive Order 14194 of February 1, 2025 (Imposing Duties to Address the Situation at Our Southern Border), as amended.
- If an article is subject to the 232 Auto/Auto Parts tariff. If so, then the article IS NOT subject to the 232 Aluminum, 232 Steel, IEEPA Canada, or IEEPA Mexico tariffs. (**NOTE:** Parts of passenger vehicles and light trucks that qualify for preferential treatment under the United States-Mexico-Canada Agreement (USMCA), ARE NOT subject to the 232 Auto/Auto Parts, the IEEPA Canada, or the IEEPA Mexico tariffs.)
- Then (if the article is not subject to the 232 Auto/Auto Parts tariff), filers should determine if an article is subject to the 232 Aluminum and/or 232 Steel tariff. For derivative products subject to both the 232 Aluminum and 232 Steel tariffs, duties will be owed on both the value of the aluminum and steel content of that product.
- If the article is subject to the 232 Aluminum and/or 232 Steel tariffs, as well as subject to IEEPA Canada or IEEPA Mexico tariffs, then the article IS NOT subject to the IEEPA Canada or IEEPA Mexico tariffs.

# Tariff Stacking

## All Countries

### Effective March 4, 2025

- President Trump issued the Executive Order on April 29<sup>th</sup>, 2025, to relieve some of the burden on importers by eliminating some of the overlapping tariffs or “stacking” of certain tariffs. The EO can be found here [Federal Register :: Addressing Certain Tariffs on Imported Articles](#).
- Below are the details of the stacking that is being eliminated.
  - Tariffs subject to Automobiles and Automobile Parts Section 232 are not subject to Canada or Mexico IEEPA. They also are not subject to Aluminum and Steel with derivatives Section 232.
  - Tariffs subject to Canada and Mexico IEEPA are not subject to Aluminum and Steel with derivatives Section 232. All duty rates in ANNEX I of the Reciprocal Tariff Executive Order will be “paused” for 90 days.
- The EO is very clear that tariffs subject to Section 232 aluminum and its derivatives are still subject to Section 232 steel and its derivatives if the tariff falls on both lists.
- The order is retroactive to March 4<sup>th</sup>, 2025, and refunds will be issued by CBP. The Department of Commerce Secretary has until May 16<sup>th</sup>, 2025, to establish a process for importers to seek entry adjustment to receive a refund. Meanwhile, importers must refrain from requesting refunds until the process is published in the Federal Register.
- Below is the prioritization that was released by CBP on May 15<sup>th</sup>, 2025.
  - First if Section 232 Auto/Auto Parts apply then IEEPA Canada, IEEPA Mexico, 232 Aluminum, and 232 Steel do not apply.
    - Note if goods are exempt from Canada and Mexico IEEPA because they are eligible for USMCA then they are not considered exempt from Section 232 Aluminum and Steel.
  - Second if IEEPA Canada or IEEPA Mexico apply then 232 Aluminum and 232 Steel do not apply.
  - Third if both Section 232 for Steel and its derivatives and Section 232 for Aluminum and its derivatives both apply, both duties are still due.

# Amendments to Reciprocal Tariffs

## All Countries

### Amendment Issued May 30, 2025, and Effective April 5, 2025 and April 9, 2025.

- To prevent importers from abusing the exemption for shipments that were in-transit before April 5, 2025 and April 9, 2025, CBP added a final entry date for the exemptions. All entries claiming the exemption must be entered for consumption before 12:01 a.m. ET June 16, 2025 or they lose eligibility.

### Amendment Issued April 11, 2025, and Effective April 10, 2025, adding additional exemptions found here [Clarification of Exceptions Under Executive Order 14257 of April 2, 2025, as Amended – The White House](#)

- The Tech Industry originally had raised hopes as this includes some smartphones, laptops, and similar electronics, but were advised by the Administration that these items would face separate increases “in a month or two” as part of a trade investigation into semiconductors.
- The below classifications were added to ANNEX I and are therefore exempt from reciprocal tariffs. (Semiconductors)
  - 8471 8473.30 8486 8517.13.00 8517.62.00 8523.51.00 8524 8528.52.00 8541.10.00 8541.21.00 8541.29.00 8541.30.00  
8541.49.10 8541.49.70 8541.49.80 8541.49.95 8541.51.00 8541.59.00 8541.90.00 8542

### Amendment Issued April 9, 2025 effective April 10<sup>th</sup>, 2025 pausing ANNEX I found here [Modifying Reciprocal Tariff Rates to Reflect Trading Partner Retaliation and Alignment – The White House](#)

- All duty rates in ANNEX I of the Reciprocal Tariff Executive Order will be “paused” for 90 days. All countries with a higher than 10% reciprocal rate in ANNEX I will be subject to the “base ports” 10% duty increase effective April 10, 2025, for 90 days and further extended to August 1<sup>st</sup>, 2025.

### Guidance Issued May 15<sup>th</sup>, 2025 by Customs and Border Protection found here [International Emergency Economic Powers Act \(IEEPA\) Frequently Asked Questions | U.S. Customs and Border Protection](#)

- Regarding feeder vessels and shipments that were required to be loaded on a vessel prior to April 10<sup>th</sup>, 2025 to receive exemption:
  - If the shipment was loaded on the vessel prior to April 10<sup>th</sup>, 2025 and was not transshipped to a new vessel then the exemption will be granted.
  - If the shipment changed vessels on or after April 10<sup>th</sup>, 2025 prior to arriving to the US then the exemption will not apply.
- If you receive a CF29 regarding the exemption being removed by CBP for your shipment, please notify us as soon as possible. We believe protesting this action may have benefits to you as the importer.

# International Emergency Economic Powers Act (IEEPA)

## COUNTRY OF ORIGIN: CANADA AND MEXICO

- Effective March 4<sup>th</sup>, 2025, for Canada and Mexico Entries Not Included in USMCA Free Trade Program
- 25% duty increase on Canada and Mexico origin goods
- 10% duty increase on Canadian energy products
- This is in addition to the ad valorem duty and section 232 duties (if applicable)
- Originally these changes were scheduled for February 1, 2025, but were delayed to March 4<sup>th</sup>, 2025.
- Exemptions are:
  - Goods that are entered free of duty as originating under USMCA are exempt from the IEEPA tariffs as of March 7<sup>th</sup>, 2025.
  - Goods that are for personal use.
  - Goods entered under Chapter 98 HTSUS including:
    - 9802.00.40 or 9802.00.50 (repairs/alterations) tariffs apply on value added in Mexico/Canada
    - 9802.00.60 (metal articles processed abroad) tariffs apply on value added in Mexico/Canada
    - 9802.00.80 (assembly of US components) tariffs apply on value added in China and Hong Kong
    - 9801 goods exported from the US and returned from Mexico/Canada not subject (even if Mexico/Canada origin)
    - Other Chapter 98 goods are excluded
  - Donations of food, clothing and medicine intended to relieve human suffering (claim HTSUS 9903.01.21 for the exemption)
  - Merely informational materials (claim HTSUS 9903.01.22 for the exemption)

# Canada IEEPA Increase

- **Canada**
- Effective August 1<sup>st</sup>, 2025
- President Trump issued an Executive Order July 31<sup>st</sup>, 2025 advising that goods that are country-of-origin Canada will be subject to an additional 10% for Reciprocal IEEPA. This increases the rate from 25% to 35%. The EO can be viewed here [Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border – The White House](#)
- This will apply to any goods with country-of-origin Canada that arrive or are cleared on or after August 1<sup>st</sup>, 2025.
- Exemptions are:
  - Articles the product of Canada that are donations, by persons subject to the jurisdiction of the United States, of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering.
  - Informational materials, including but not limited to, publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds.
  - Articles subject to USMCA treatment.
  - Potash which is subject to 10%.
- Section 232 for automobiles, auto parts, aluminum, copper, and steel are not affected by this order. The rules for Section 232 and tariff stacking remain the same.
- Transshipments found to be transshipped to evade duties of this order are will be made subject to an additional 40% instead of the additional ad valorem rate that applies in addition to any appropriate fine or penalty and other duties, fees, taxes, exactions, or charges applicable to the goods. CBP will not allow for mitigation or remission of the penalties assessed, consistent with applicable law.
- The Secretary of Commerce and the Secretary of Homeland Security, acting through the Commissioner of CBP, in consultation with the United States Trade Representative, shall publish every 6 months a list of countries and specific facilities used in circumvention schemes, to inform public procurement, national security reviews, and commercial due diligence.

# Court of International Trade Ruling Regarding IEEPA

- Ruling Issued May 29<sup>th</sup>, 2025
- The Court of International Trade (CIT) issued a combined opinion in *V.O.S Selections Inc. et al v. Donald J. Trump et al*: Court No. 25-66 and *The State of Oregon et al v. Donald J. Trump et al*: Court No 25-77. The CIT finds that the International Emergency Economic Powers Act does not authorize the President to impose by executive order the additional duty provisions for fentanyl and reciprocal tariffs.
- President Trump's Administration filed a request for a stay of the order which would suspend the order until a ruling on an appeal could be determined. The Court of Appeals granted an administrative stay of order on May 29<sup>th</sup>, 2025 until they could consider President Trump's appeal. This could eventually end in the Supreme Court making the final ruling.
- The Court of Appeals for the Federal Circuit announced on June 10<sup>th</sup>, 2025 they had approved the longer stay of order while they considered the case. They also stated that because this case held "issues of exceptional importance" they would expedite the consideration. The CAFC will hold oral arguments on July 31<sup>st</sup>, 2025 and the case will be considered by the full CAFC comprised of 12 judges when usually it would be a three-judge panel.
- No immediate changes are expected in CBP's collection of IEEPA duties.
- If the CIT order is upheld or the stay of order is expired the below changes should result:
  - Original IEEPA tariff duties enacted on February 1<sup>st</sup> and March 4<sup>th</sup> 2025 would no longer be collected. (20%)
  - Canada and Mexico IEEPA duties for non-USMCA eligible goods would no longer be collected. (25%)
  - Reciprocal IEEPA duties for all countries would no longer be collected. (Currently 10%)
  - Trade Agreements that were established with the United Kingdom and China would be called into question as they were established in reaction to the IEEPA executive orders.
- It is not clear if the CIT order is upheld whether refunds for duties that are already collected will be issued. The first shipments from the original IEEPA tariff changes were processed on or after February 4<sup>th</sup>, 2025. This would mean that liquidation of those entries would be in December 2025. This would allow for protests to be filed in early June 2026 which leaves importers of record with time to pursue refunds if they are made available.
- In briefs submitted to CAFC the US Government defended its ability to "regulate, direct and compel" which they believe allows them to implement tariffs. The Plaintiff's brief maintains that IEEPA does not authorize or give power to the Executive Branch and their actions have overreached constitutional limits. The CAFC decision will affect the validity of trade agreements made during the time of IEEPA and could undo many of the negotiations with other countries if the CIT decision is upheld.

# China and United States Trade Deal

- August 8<sup>th</sup>, 2025 President Trump issued an Executive Order to further delay the implementation of the China specific reciprocal tariff that is under 9903.01.63. That delay will now expire on November 10<sup>th</sup>, 2025. The EO can be viewed here. [Further Modifying Reciprocal Tariff Rates to Reflect Ongoing Discussions with The People's Republic of China – The White House](#)
- The delay of the China specific reciprocal tariff is an effort to give China and the US additional time to finalize the details of their trade agreement.
- Goods that are country-of-origin China imported before November 10<sup>th</sup>, 2025 will continue to be subject to the 10% base port reciprocal tariff.
- Goods that are country-of origin China are still subject to 7.5%-25% Section 301 tariffs and the 20% Fentanyl IEEPA.
- Section 232 steel, aluminum, copper, and automobiles and their parts still apply to China made articles.
- Announced June 11<sup>th</sup>, 2025 on Truth Social, President Trump stated, “deal with China is done”. This announcement came from the negotiations by US Treasury Secretary Scott Bessent, Commerce Secretary Howard Lutnick, and US Trade Representative Jaimeson Greer in London.
- Although the announcement did not address Section 232, it did state that the 10% IEEPA reciprocal, 25% Section 301, and 20% Fentanyl IEEPA would remain in place.
- It was also stated that exports from the US to China would be subject to a 10% tariff.
- President Trump also stated that full magnets and necessary rare earth elements will be supplied by China to the US. Chinese negotiators agreed to start approving rare-earth license applications as soon as President Trump and Chinese leader Xi Jinping sign the trade framework. It is believed this is in exchange for the relaxation of the restrictions on sales of jet engines and parts to China.
- Commerce Secretary Lutnick stated that in the short term, at least, the US tariffs on China won’t go up. It is not clear if he meant the 90-day period on the lowered reciprocal tariffs have been extended beyond that time frame.
- Details of the framework of the agreement are still being worked out, but the last two days of strong negotiations in London have produced positive movement in stabilizing trade with China.
- Before these talks, the Department of Commerce extended the Section 301 exclusions for certain Chinese origin goods to now expire on August 31<sup>st</sup>, 2025. This will be an area of concern for many importers as the expiration date nears again. We will continue to advise as developments occur.
- US Commerce Secretary Howard Lutnick stated to the press that the 55% (25% Section 301, 20% Fentanyl IEEPA, 10% Reciprocal IEEPA) “definitely” would not change.

# European Union and United States Trade Deal

- Announced July 27th, 2025 by President Trump and European Commission President Ursula Von der Leyen stating the United States has established a trade agreement with the European Union.
- The details and effective date of the deal have not been released.
- The agreement includes a 15% Reciprocal IEEPA Tariff on European Union goods. This is an increase of 5% on the reciprocal IEEPA. The 15% is lower than the initial 30% tariff that was included in the letter sent by President Trump earlier this month.
- The 15% does include automobiles, computer chips, and pharmaceuticals.
- The trade agreement will not change the 50% Section 232 tariff on Steel and Aluminum from the EU.
- EU tariffs on United States imports will be lowered to 0% on most items.
- The European Union has committed to purchasing \$750 billion in U.S. energy products, invest \$600 billion in the United States, and acquire additional military equipment made in the United States.
- This agreement is an attempt to rebalance the \$235 billion trade deficit we had with the European Union in 2024.
- EC President Von der Leyen referred to this as a “framework” agreement with details to be negotiated “over the next weeks”. The agreement still requires approval by the EU member states. The ambassadors plan to meet on Monday with the commission.
- France and Hungary have both criticized the agreement believing the agreement is not equal. With U.S. tariffs on alcohol from the EU undetermined, large exports like wine, champagne, and beer seem to be a hope for these tensions to be quieted.

# Indonesia and United States Trade Deal

- Announced July 15th, 2025 by President Trump stating the United States has established a trade deal with Indonesia.
- The details and effective date of the deal have not been released.
- The agreement includes a 19% Reciprocal IEEPA Tariff on Indonesian goods. This is an increase of 9% on the reciprocal IEEPA. The 19% is lower than the initial 32% tariff that was announced for Indonesia in April.
- Goods that originate in other countries that are routed through Indonesia (Transshipped) will be subject to the other countries higher tariff in addition to the Indonesian tariff. This will limit other countries from attempting to evade US tariffs by shipping through Indonesia.
- Indonesia has committed to purchasing \$4.5 billion in U.S. Agricultural products, \$15 billion in energy products, and 50 Boeing aircrafts.
- This agreement is an attempt to rebalance the \$17.9 billion trade deficit we had with Indonesia in 2024.
- There will be no tariffs for the U.S. to ship goods into Indonesia per Howard Lutnick the U.S. Secretary of Commerce.
- The trade agreement will not change the 50% Section 232 tariff on Steel and Aluminum from the Indonesia.
- President Trump's Truth Social post can be found here [Truth Details | Truth Social](#).

# Philippines and United States Trade Deal

- Announced July 22<sup>nd</sup>, 2025 by President Trump stating the United States has established a trade deal with Philippines.
- The details and effective date of the deal have not been released.
- The agreement includes a 19% Reciprocal IEEPA Tariff on Philippine goods. This is an increase of 9% on the reciprocal IEEPA. The 19% is higher than the initial 18% tariff that was announced for the Philippines in April.
- This agreement is an attempt to rebalance the \$4.9 billion trade deficit we had with Philippines in 2024.
- There will be no tariffs for the U.S. to ship goods into Philippines per President Trump.
- The trade agreement will not change the 50% Section 232 tariff on Steel and Aluminum from the Philippines.
- Per President Trump's Truth Social post, the US and Philippines will work together Militarily.
- President Trump's Truth Social post can be found here [Truth Details | Truth Social](#).

# United Kingdom and United States EPD

## All Countries

Announced May 8<sup>th</sup>, 2025

- In the first of its kind Economic Prosperity Deal (EPD) the United Kingdom and United States have begun negotiations to formalize and implement the three below objectives.
  - To grow the quality and volume of mutually beneficial trade between the United States and the United Kingdom, creating good, high-paying jobs and growth in both countries;
  - To remove barriers to make it easier for American and British businesses to operate, invest and trade in both countries; and
  - To ensure that the Special Relationship is rooted in an enduring economic partnership that is fair, reciprocal, future-facing, and built on a shared vision of the challenges that face our economies.
- The statement is found at this link [General Terms for the United States of America and the United Kingdom of Great Britain and Northern Ireland Economic Prosperity Deal – The White House](#)
- Items include are:
  - Addressing Tariffs
    - US exports to the UK of beef will receive duty free treatment for the first 13,000 mt. US exports of ethanol will also receive duty free treatment for the first 1.4 billion liters.
    - UK exports to the US of automotives will receive 10% duty rate for the first 100,000 vehicles from the UK. US also commits to preferential treatment of Pharmaceuticals depending on the outcome of the Section 232 investigation.
  - Addressing Non-Tariff Barriers-Includes Agricultural trade between countries.
  - Increasing Digital Trade
  - Other agendas like mutual security, intellectual property rights protection, forced labor, and deepening trade relationships with UK and US.

# Vietnam and United States Trade Deal

- Announced July 2<sup>nd</sup>, 2025 by President Trump stating the United States has established a trade deal with Vietnam.
- The details and effective date of the deal have not been released.
- The agreement includes a 20% Reciprocal IEEPA Tariff on Vietnamese goods. This is an increase of 10% on the reciprocal IEEPA. The 20% is lower than the initial 46% tariff that was announced for Vietnam in April.
- Goods that originate in other countries that are routed through Vietnam (Transshipped) will be subject to a 40% tariff before entry into Vietnam. This will limit other countries from attempting to evade US tariffs by shipping through Vietnam.
- The US will be tariff free into the Vietnamese market.
- The trade agreement will not change the 50% Section 232 tariff on Steel and Aluminum from Vietnam.
- This agreement is an attempt to rebalance the \$122 billion trade deficit we had with Vietnam in 2023.
- Below is the full post from President Trump.
  - “It is my Great Honor to announce that I have just made a Trade Deal with the Socialist Republic of Vietnam after speaking with To Lam, the Highly Respected General Secretary of the Communist Party of Vietnam. It will be a Great Deal of Cooperation between our two Countries. The Terms are that Vietnam will pay the United States a 20% Tariff on any and all goods sent into our Territory, and a 40% Tariff on any Transshipping. In return, Vietnam will do something that they have never done before, give the United States of America TOTAL ACCESS to their Markets for Trade. In other words, they will “OPEN THEIR MARKET TO THE UNITED STATES,” meaning that, we will be able to sell our product into Vietnam at ZERO Tariff. It is my opinion that the SUV or, as it is sometimes referred to, Large Engine Vehicle, which does so well in the United States, will be a wonderful addition to the various product lines within Vietnam. Dealing with General Secretary To Lam, which I did personally, was an absolute pleasure. Thank you for your attention to this matter!”

# U.S. Court of International Trade \$3.4M Fraud Penalty

The U.S. Court of International Trade issued in a recent opinion that California company Rayson Global Inc knowingly reported Chinese mattress springs as country-of-origin Thailand.

- U.S Judge Timothy C. Stanceu determined the maximum civil penalty should be awarded to the government from Rayson Global Inc.
  - Rayson Global Inc is required to pay Customs and Border Protection any unpaid duties, taxes, and fees plus interest on lost revenue.
  - The civil penalty will be \$3.4 million in addition to over \$2.4 million in CBP fees and lost revenue.
  - The penalties and fees were assessed on 46 entries of inner mattress springs from Thailand that were purposely reported as country-of-origin China.
  - Claiming country-of-origin Thailand allowed Rayson Global Inc to evade 6% ad valorem tariff, 10% Section 301 tariff, and 234.51% antidumping duties.
  - Rayson Global Inc did not respond in the court proceedings and therefore the court accepted information supplied by the U.S. government.
  - The case is United States vs Rayson Global Inc and Doris Cheng (CEO), case number 23-00201 heard by the CIT.
- 
- This is a stark reminder that recent Section 232 regulations specifically state that **maximum** civil penalties will be assessed on any cases of evasion found by the Department of Commerce and will not be subject to mitigation meaning the full penalties will be owed.
  - CBP has announced that they are focusing on exclusions that were issued in 2018 for Section 232. They plan to issue penalties if it is found that importers have overused the exclusions beyond the amounts granted with an exclusion.
  - Making compliant decisions now prevents issues like the above from becoming an issue for your companies in the future. Please let us know how we can help your company with these efforts and assist with protecting you from CBP penalties.

# International Emergency Economic Powers Act (IEEPA)

## COUNTRY OF ORIGIN: CHINA AND HONG KONG

- In effect as of February 1, 2025
- Second phase of IEEPA effective March 4<sup>th</sup>, 2025.
- 20% duty increase on all China and Hong Kong origin goods
- This is in addition to the ad valorem duty, section 301 duties, and section 232 duties (if applicable)
- Shipments loaded on the vessel, rail or truck on or before January 31, 2025 and then having an entry cleared with Customs and Border Protection with duties processed by CBP before March 7, 2025 will not be subject to the additional IEEPA duty. This means shipments must be cleared and duties paid to CBP by March 6, 2025.
- On February 27, 2025, President Trump announced an additional 10% applied to China and Hong Kong origin goods effective March 4<sup>th</sup>, 2025. This increased IEEPA duties from 10% to 20%.

## **Guidance Issued May 15<sup>th</sup>, 2025 by Customs and Border Protection found here [International Emergency Economic Powers Act \(IEEPA\) Frequently Asked Questions | U.S. Customs and Border Protection](#)**

- Regarding feeder vessels and shipments that were required to be loaded on a vessel prior to April 10<sup>th</sup>, 2025 to receive exemption:
  - If the shipment was loaded on the vessel prior to April 10<sup>th</sup>, 2025 and was not transshipped to a new vessel then the exemption will be granted.
  - If the shipment changed vessels on or after April 10<sup>th</sup>, 2025 prior to arriving to the US then the exemption will not apply.
- If you receive a CF29 regarding the exemption being removed by CBP for your shipment, please notify us as soon as possible. We believe protesting this action may have benefits to you as the importer.
- On Friday June 27<sup>th</sup>, 2025 the NCBFAA, NRF, NITL and 91 other trade associations sent a letter to the Department of Homeland Security and Congress requesting them to address ongoing concerns with the interpretation of “in transit”. The changes in interpretation have caused confusion and do not seem to agree with other CBP responses. “The trade associations noted that CBP’s Informed Compliance Publication (ICP) Bona Fide Sales and Sale for Exportation, which is underlined by scores of rulings, supports the notion that in-transit eligibility should be based on the initial country of loading and export.” The full letter can be found here [Microsoft Word - Coalition Letter- Relay Vessel Issue - June 2025 FINAL](#).

# Reciprocal Tariffs Enacted Under IEEPA

## ALL COUNTRIES OF ORIGIN

- Effective on April 5, 2025. Countries included in Annex I effective August 1st, 2025 (Paused for 90+ days). Reenacted on August 7<sup>th</sup>, 2025 with amended amounts.
- President Trump issued an Executive Order declaring a national emergency due to trade deficits with foreign trading partners. View here [Federal Register :: Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits](#)
- To rebalance the global trade **all countries** will receive a **10% increase** to ad valorem duty **except countries listed in Annex I**.
- Such rates of duty shall apply with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on April 5, 2025, except that goods loaded onto a vessel at the port of loading and in transit on the final mode of transit before 12:01 a.m. eastern daylight time on April 5, 2025, and entered for consumption or withdrawn from warehouse for consumption after 12:01 a.m. eastern daylight time on April 5, 2025, shall not be subject to such additional duty.
- ANNEX I contains country specific ad valorem. ANNEX I is located here. [Annex-I.pdf](#).
- Furthermore, except as otherwise provided in this order, at 12:01 a.m. eastern daylight time on April 9, 2025, all articles from trading partners enumerated in [Annex I](#) to this order imported into the customs territory of the United States shall be, consistent with law, subject to the country-specific ad valorem rates of duty specified in [Annex I](#) to this order. Such rates of duty shall apply with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on April 9, 2025, except that goods loaded onto a vessel at the port of loading and in transit on the final mode of transit before 12:01 a.m. eastern daylight time on April 9, 2025, and entered for consumption or withdrawn from warehouse for consumption after 12:01 a.m. eastern daylight time on April 9, 2025, shall not be subject to these country-specific ad valorem rates of duty set forth in [Annex I](#) to this order. **These country-specific ad valorem rates of duty shall apply to all articles imported pursuant to the terms of all existing U.S. trade agreements, except as provided below.**
- ANNEX II contains the goods that are exempt from this order. ANNEX II is located here. [Annex-II.pdf](#)
- This increase to duties is in addition to any other duties, fees, taxes, exactions, or charges applicable to imported articles. **USMCA qualifying goods are exempt.** This exclusion is further explained in parts (e) and (d) of the executive order.

# Section 232 Aluminum and Steel Tariff Expansion

## ALL COUNTRIES OF ORIGIN

- Announced by President Trump on May 29<sup>th</sup>, 2025 there will be an increase from 25% to 50% duty for steel and aluminum Section 232 effective June 4<sup>th</sup>, 2025 for all countries except United Kingdom. [Adjusting Imports of Aluminum and Steel into the United States – The White House](#)
- United Kingdom origin steel and aluminum and their derivatives imports will remain at 25% tariff rate through July 9<sup>th</sup>. 2025. At that time, the Commerce Secretary will adjust duty rate to 50% if conditions of the ERD are not met by the United Kingdom.
- The Executive Order allows for HTS chapters 73 and 76 to declare steel and aluminum content like the derivative provisions where Section 232 duties are only owed on the content value. Before this change chapters 73 and 76 were not eligible to only apply the 50% to aluminum/steel content.
- The Executive Order also states, “the non-aluminum, non-steel content of all aluminum and steel articles and derivative articles shall be subject to tariffs pursuant to Executive Order 14257 of April 2, 2025 (Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits), as amended, and any other applicable tariffs.” This amends the IEEPA reciprocal exemption for goods subject to Section 232 to apply the IEEPA reciprocal duties (Currently 10%) to the non-steel and not aluminum content
- Original Section 232 tariffs have been in effect since 2018 with exclusions granted
- Section 232 expansion will be effective March 12, 2025, for original section 232 tariffs and **all** new derivative items.
- The list of the additional derivative tariffs were published in the Federal Register on February 18, 2025
  - A link to all tariffs affected by the 232 expansion can be found here [Steel-Aluminum-HTS-Codes.xlsx](#)
  - For derivative items included in the section 232 appendices, the 25% increase will only apply to the aluminum and steel content. This requires multiple lines to be submitted to CBP to report steel and aluminum content. CBP has instructed if steel and aluminum content is unknown at time of entry that section 232 duties will apply to the entire value of the derivative items. Importers should be reporting material and value breakdown for derivative items on the commercial documents provided to their customs brokers to facilitate compliant and accurate entries.
- Items on the new steel and aluminum derivative list that are made of US origin steel and aluminum will be exempt with certificates of melt and pour
- Customs and Border Protection has been instructed to prioritize review of these imports and if misclassification is found, maximum monetary penalties will apply. The instruction on steel imports also states mitigation will not be allowed (this contradicts existing CBP regulations).

# Copper Subject to Section 232

## All Countries

Effective August 1<sup>st</sup>, 2025

- President Trump issued a proclamation on July 30<sup>th</sup>, 2025 advising that copper will be subject to Section 232 effective August 1<sup>st</sup>, 2025. Full proclamation can be viewed here [Adjusting Imports of Copper into the United States – The White House](#)
- Semi-finished copper products and intensive copper derivative products will be subject to 50% Section 232 duty rate when imported into the U.S.
- The 50% tariff rate will be in addition to any duties, fees, exactions, and charges already due for these products.
- Similar to steel and aluminum Section 232 the copper content can be declared and only that content is subject to the 50% duty rate. The non-copper content will be subject to the IEEPA reciprocal duties owed for the country of origin.
- Drawback will not be allowed on the duties paid for copper Section 232.
- The tariff numbers this applies to are below.

7406.10.00	7409.19.90	7413.00.10	7406.20.00	7409.21.00	7413.00.50
7407.10.15	7409.29.00	7413.00.90	7407.10.30	7409.31.10	7415.10.00
7407.10.50	7409.31.50	7415.21.00	7407.21.15	7409.31.90	7415.29.00
7407.21.30	7409.39.10	7415.33.05	7407.21.50	7409.39.50	7415.33.10
7407.21.70	7409.39.90	7415.33.80	7407.21.90	7409.40.00	7415.39.00
7407.29.16	7409.90.10	7418.10.00	7407.29.34	7409.90.50	7418.20.10
7407.29.38	7409.90.90	7418.20.50	7407.29.40	7410.11.00	7419.20.00
7407.29.50	7410.12.00	7419.80.03	7408.11.30	7410.21.30	7419.80.06
7408.11.60	7410.21.60	7419.80.09	7408.19.00	7410.22.00	7419.80.15
7408.21.00	7411.10.10	7419.80.16	7408.22.10	7411.10.50	7419.80.17
7408.22.50	7411.21.10	7419.80.30	7408.29.10	7411.21.50	7419.80.50
7408.29.50	7411.22.00	8544.42.10	7409.11.10	7411.29.10	8544.42.20
7409.11.50	7411.29.50	8544.42.90	7409.19.10	7412.10.00	8544.49.10
7409.19.50	7412.20.00				

- By October 28<sup>th</sup>, 2025 the Secretary of Commerce will establish a process for including additional derivative copper articles that will be added to the scope of Section 232.
- Articles subject to Section 232 Automobiles and Auto Parts are exempt from this order.

# Section 232 Automobiles and Automobile Parts

## ALL COUNTRIES OF ORIGIN

- Effective April 3<sup>rd</sup>, 2025 for automobiles.
- Effective May 3<sup>rd</sup>, 2025 for automobile parts.
- Effective before May 3<sup>rd</sup>, 2025 for automobile parts. An Executive Proclamation was published in the Federal Register on April 3<sup>rd</sup>, 2025 here. [Federal Register :: Adjusting Imports of Automobiles and Automobile Parts Into the United States](#)
- The 25 percent tariff took effect with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. Eastern Daylight Time on May 3, 2025.
- The proclamation advises that an additional 25% duty will be assessed on automobiles and automobile parts from all countries except the US.
- “For automobiles that qualify for preferential tariff treatment under the USMCA, importers of such automobiles may submit documentation to the Secretary identifying the amount of U.S. content in each model imported into the United States. “U.S. content” refers to the value of the automobile attributable to parts wholly obtained, produced entirely, or substantially transformed in the United States. Thereafter, the Secretary may approve imports of such automobiles to be eligible to apply the ad valorem tariff of 25 percent in clause (1) of this proclamation exclusively to the value of the non-U.S. content of the automobile. The non-U.S. content of the automobile shall be calculated by subtracting the value of the U.S. content in an automobile from the total value of the automobile.” If the US content is found to be inaccurate due to overstatement the 25% will apply to the full value of the automobile and full value of any additional automobiles of the same model imported after April 3<sup>rd</sup>, 2025. This is in addition to any assessed fees or penalties.
- The scope of tariffs involved are included here. [Attachment 2 Auto Parts HTS List 1.pdf Federal Register :: Adjusting Imports of Automobiles and Automobile Parts Into the United States](#)
- This proclamation does not apply to commercial vehicles or their parts.

# Section 232 Steel Tariffs Household Appliances

## ALL COUNTRIES OF ORIGIN

- Effective June 23<sup>rd</sup>, 2025.
- Published in the Federal Register on June 16<sup>th</sup>, 2025 it was announced that certain household appliances containing steel will be included in Section 232 . The Federal Register Notice can be found here [2025-11067.pdf](#).
- The notice advises that the below classifications are being added to Section 232 Annex 1 which includes them in the steel derivative regulations. This will make those items subject to the 50% Section 232 provisional duties. The additional duty will only be assessed on the steel content of the items.
  - Combined refrigerator-freezers under HTSUS subheading 8418.10.00
  - Small and large dryers under HTSUS subheadings 8451.21.00 and 8451.29.00
  - Washing machines under HTSUS subheadings 8450.11.00 and 8450.20.00
  - Dishwashers under HTSUS subheading 8422.11.00
  - Chest and upright freezers under HTSUS subheadings 8418.30.00 and 8418.40.00
  - Cooking stoves, ranges, and ovens under HTSUS subheading 8516.60.40
  - Food waste disposals under HTSUS subheading 8509.80.20
  - Welded wire rack under statistical reporting number 9403.99.9020 \*Note that products classified under statistical reporting number 9403.99.9020 continue to be subject to tariffs under Proclamation 10895 as derivative products of aluminum for their aluminum content.

# Decrease in China Reciprocal and De Minimis

## All Countries

Announced May 12<sup>th</sup>, 2025

Effective May 14<sup>th</sup>, 2025

- Due to negotiations in Geneva, Switzerland China and the United States have agreed to lower their reciprocal/retaliatory tariff duties to 10% vs the current 125%.
- The executive order was issued on May 12<sup>th</sup>, 2025 addressing the reciprocal duty decrease and lowering of De minimis duty charges. The executive order can be found here [Modifying Reciprocal Tariff Rates to Reflect Discussions with the People's Republic of China – The White House](#).
- The decrease to the reciprocal tariff will be effective for any shipments entered for consumption on or after May 14<sup>th</sup>, 2025. The decrease will be in effect for 90 days. At the end of the 90-day period the reciprocal tariff amount will return to 34% instead of 125%.
- The White House has issued a fact sheet at this link [Fact Sheet: President Donald J. Trump Secures a Historic Trade Win for the United States – The White House](#) and a statement at this link [Joint Statement on U.S.-China Economic and Trade Meeting in Geneva – The White House](#).
- Note: There were not any changes to Section 301, Section 232, or the 20% IEEPA in this executive order.
- De Minimis Changes effective on or after May 14<sup>th</sup>, 2025 are:
  - US postal packages will change from 120% to 54% duty rate.
  - July 1<sup>st</sup>, 2025 change to \$200 per postal item will be removed completely.

# Removal of De Minimis for China

## CHINA AND HONG KONG COUNTRY OF ORIGIN

- Effective May 2<sup>nd</sup>, 2025.
- For the Postal Network, Carriers will collect these duties and outlay to CBP once a month or if CBP decides at a timeframe they determine appropriate. Carriers also will report total number of postal items containing goods and if choosing the 120% duty rate the value of postal items containing goods on each conveyance in a specific timeframe.
- CBP suspended some regulations to accommodate these changes. All small package shipments that are moving with the US Postal service or carriers like DHL, FedEx, and UPS out of China or Hong Kong will be affected. This should be considered when choosing to move with these types of carriers. It could become more complicated to ensure your companies CBP compliance as this will affect an estimated 5.6 million packages over this year.
- An Executive Order was issued on April 2, 2025 eliminating duty-free *de minimis* treatment for low-value imports from China.
- The Secretary of Commerce has notified that adequate systems are in place to collect tariff revenue for these shipments that were originally announced to have *de minimis* removed earlier this year.
- Imported goods (Country of Origin China) sent through means other than the international postal network that are valued at or under \$800 and that would otherwise qualify for the *de minimis* exemption will be subject to all applicable duties (125%), which shall be paid in accordance with applicable entry and payment procedures.
- All relevant postal items containing goods that are sent through the international postal network that are valued at or under \$800 and that would otherwise qualify for the *de minimis* exemption are subject to a duty rate of either 120% of their value or \$100 per item (increasing to \$200 per item after June 1, 2025). This is in lieu of any other duties, including those imposed by prior Orders.
- Carriers transporting these postal items must report shipment details to U.S. Customs and Border Protection (CBP), maintain an international carrier bond to ensure duty payment, and remit duties to CBP on a set schedule.
- CBP may require formal entry for any postal package instead of the specified duties.
- The Secretary of Commerce will submit a report within 90 days assessing the Order's impact and considering whether to extend these rules to packages from Macau.

# De Minimis Suspended for All Countries

- Effective August 29<sup>th</sup>, 2025
- President Trump issued an Executive Order on July 30<sup>th</sup>, 2025 advising that De Minimis for shipments that are valued less than \$800 will be suspended effective August 29<sup>th</sup>, 2025. The Executive Order can be viewed here [Suspending Duty-Free De Minimis Treatment for All Countries – The White House](#)
- Shipments that are routed through the International Postal Service will be assessed duties with the below procedures.
  - Ad Valorem duty: A duty equal to the effective tariff rate imposed under the International Emergency Economic Powers Act (IEEPA) that is applicable to the country of origin of the product. This duty shall be assessed on the value of each package.
  - Specific duty: A duty ranging from \$80 per item to \$200 per item, depending on the effective IEEPA tariff rate applicable to the country of origin of the product. This specific duty assessment will be available for six months, after which all applicable shipments must comply with the ad valorem duty assessment.
- Low value shipments will need to be transmitted as a type 11 (Informal) which is a shipment below \$2500 in value or a type 01 (formal) entry.
- Currently a Customs Bond is required for type 01 and type 11 entries by Customs and Border Protection. This could also be required for shipments that previously cleared as de minimis.
- This Executive Order modifies the Executive Orders issued in February and April of this year related to de minimis shipments from China and Hong Kong.
- China, Hong Kong, Canada, and Mexico will permanently have de minimis removed and all other countries will have de minimis suspended.
- The Executive Order specifically states that if the CIT ruling IEEPA as void is upheld by the Court of Appeals that the suspension of or continued suspension of duty free de minimis shall not be affected. It appears that this is an attempt to protect the current changes to de minimis from any on going court rulings by the Court of Appeals.
- For many years, De Minimis shipments of some FDA regulated items have been allowed to receive a CBP release without FDA review before entry admissibility is determined. CBP has changed this ability because of technology advancements in the trade and FDA systems. FDA will now review all FDA shipments prior to admission to the U.S. commerce. This will prevent the importation of products that are in violation of FDA standards and facilitate legitimate trade.

# Ongoing Dept of Commerce Investigations

## ALL COUNTRIES OF ORIGIN

- President Trump issued an executive order on March 24<sup>th</sup>, 2025 stating that “On or after April 2, 2025, a tariff of 25 percent may be imposed on all goods imported into the United States from any country that imports Venezuelan oil, whether directly from Venezuela or indirectly through third parties. Duties imposed by this order will be supplemental to duties on imports already imposed pursuant to IEEPA, section 232 of the Trade Expansion of 1962, section 301 of the Trade Act of 1974, or any other authority.” The executive order can be viewed [here](#). The Federal Register notice is [here](#). Federal Register :: Imposing Tariffs on Countries Importing Venezuelan Oil
- The International Trade Commission (ITC) initiated an investigation under section 232 to determine if the global market for nonfat milk solids is affecting the US market and its competitiveness. Written comments are due by July 28<sup>th</sup>, 2025. Federal Register :: Nonfat Milk Solids: Competitive Conditions for the United States and Major Foreign Suppliers
- An Executive Order has been issued to the USTR suggesting the Harbor Maintenance Fee and a 10% service fee should be charged on imports calling on Canada and Mexico ports and then moving into the US by land ports. These charges would be part of the charges owed by the importer of record to Customs and Border Protection.

# China Retaliation to USTR-301 Port Fees

Effective: November 10th, 2026

- President Trump and President Xi Jinping announced on October 30, 2025 that these fees will be delayed for 12 months.
- China directly responded to the announced USTR-301 port fees by implementing their own vessel fees. In retaliation China announced that they will be implementing port charges on the below vessels.
  - US Flag Vessels
  - US Built Vessels
  - Vessels Owned by US Entities – Fees apply if more than 25% of the ownership, voting rights or board seats of the entity are US based.
  - Vessels Operated by US Entities – Fees apply if more than 25% of the ownership, voting rights or board seats of the entity are US based.
- The structure of the Chinese implemented fees are a copy of USTR-301 port fees that are also scheduled to be effective on October 14<sup>th</sup>, 2025. Fees are listed in RMB per net ton for vessels calling into Chinese ports. Below USD rates are established using exchange rates as of October 13<sup>th</sup>, 2025.
  - From October 14<sup>th</sup>, 2025: 400 RMB or 56 USD
  - From April 17<sup>th</sup>, 2026: 640 RMB or 90 USD
  - From April 17<sup>th</sup>, 2027: 880 RMB or 123 USD
  - From April 17<sup>th</sup>, 2028: 1120 RMB or 157 USD
- Fees only apply for the first call to China for vessels with multiple calls and a maximum of 5 times per year. (Similar to USTR-01)
- This specifically impacts Matson, Maersk Line Limited and APL which are all US entities but also should apply to Zim and Seaspan since more than 25% of the shares are currently owned by US entities. Other carriers could also be affected but ownership is unclear at this time.
- Carriers are caught between this retaliation and the USTR-301 fees. No carriers have announced if they plan to pass these charges on to clients.

# USTR-301 Port Fees

Effective: November 10th, 2026

- President Trump and President Xi Jinping both announced on October 30<sup>th</sup>, 2025 that these fees will be delayed by 12 months.

The Federal Notice can be found here [Federal Register :: Notice of Action and Proposed Action in Section 301 Investigation of China's Targeting the Maritime, Logistics, and Shipbuilding Sectors for Dominance, Request for Comments. CSMS Attachment - Section 301 Vessel Fees.pdf](#)

- Chinese-owned and operated vessels will be charged a fee based on net tonnage and will increase over time.
  - Chinese-built ships operated by non-China carriers will be charged less, based on net tonnage or by container.
- Fees are assessed by the ANNEX's they are under found here. [Federal Register :: Notice of Proposed Modification of Action in Section 301 Investigation of China's Targeting the Maritime, Logistics, and Shipbuilding Sectors for Dominance](#)
  - Annex 1: A fee in the amount of \$50 per net ton for an arriving vessel owned or operated by a Chinese entity.
  - Annex 2: The higher of a fee in the amount of \$18 per net ton, or \$120 for each container discharged, from an arriving Chinese built vessel.
  - Annex 3: Effective as of October 14, 2025, a fee in the amount of \$14 per net ton for an arriving vessel classified as a vehicle carrier or roll-on/roll-off vessel.
  - Liquefied Natural Gas (LNG) tankers, designated as vessel type 132 by the International Classification of Ships by Type (ICST) are exempt from fees in Annexes I, II, III.
- Responsible parties are strongly encouraged to pay fees prior to vessel arrival as vessels without proof of payment will be subject to denial of lading or unloading operations, or granting of clearance withheld, until proof of payment can be verified. It is recommended to initiate payment at least three (3) business days in advance of vessel arrival. The burden for determining if a vessel owes the fee is on the operator, NOT CBP.
- The fee on a Chinese built vessel can be waived if the operator orders and takes delivery of a US-built vessel of same or larger tonnage within 3 years.
- COSCO does Not plan to levy a surcharge (JOC) and OOCL confirmed with eShipping there will be no fee passed through, and services will continue.
- Maersk, Hapag, MSC, CMA & Evergreen have confirmed publicly there will be no fee passed through, and services will continue.
- The Premier Alliance of Ocean Network Express (ONE), Yang Ming and Hyundai Merchant Marine (HMM) is said to be shuffling its China tonnage though this **has not been confirmed (Freightos)**

# USTR-301 Includes Container Handling Equipment

Effective: October 14, 2025

The Office of United States Trade Representative (USTR) announced changes to responsive actions taken to restore American shipbuilding on October 10<sup>th</sup>, 2025. The unpublished USTR notice of modification, proposed modification of action, and request for comments can be found here [301 Ships Action Mod FRN.pdf](#).

- The modifications and proposed modifications are an effort to answer concerns raised by petitioners and advisory committees as well as to public comments received in response to the notices published on April 23, 2025 and June 12<sup>th</sup>, 2025.
- Below are some of the announced modifications:
  - Changing the basis for calculating service fees on vessel operators of foreign built vehicle carriers setting a fee of \$46 per net ton.
  - Removing the provision permitting the suspension of liquid natural gas (LNG) export licenses if some restrictions on the use of foreign built vessels are not met.
  - Instating 100% tariffs on specific ship-to-shore cranes and cargo handling equipment.
- The USTR also proposed further modifications to the responsive action taken in April. The modifications may be deferred until December 10<sup>th</sup>, 2025 while the USTR evaluates public comments.
  - Adding a carve-out for carriers under long term charter for ethane and liquid petroleum gas (LPG) for certain fees.
  - Adding additional tariffs up to 150% on rubber tire gantry cranes, other cargo handling equipment, and their components.
- Comments are being accepted on the proposed further modifications until November 12<sup>th</sup>, 2025. They can be submitted or accessed here [Home](#).