

Looking Beyond the August 1 U.S. Tariff Deadline



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IEEPA RECIPROCAL TARIFF UPDATE

July 31, 2025 – Executive Order Further Modifying the Reciprocal Tariff Rates

Countries listed in Annex I of the Executive Order will be subject to the tariff specified therein. Countries not listed will be subject to a 10% reciprocal tariff

Effective August 7, 2025, 12:01 a.m. EDT

In-transit exemption is available, must be on the final mode of transport to the U.S. (ocean) before August 7, 12:01 am.

Trading partners will remain subject to the additional *ad valorem* duties provided in Annex I to this order until such time as alternate agreements are concluded

Existing product exclusions listed in Annex II of EO 14257 are still in place. Certain exemptions apply to CH 98 entries.

Nothing in this order shall be construed to alter or otherwise affect Executive Order 14298 of May 12, 2025 (Modifying Reciprocal Tariff Rates To Reflect Discussions With the People's Republic of China).



Countries and Territories	Reciprocal Tariff, Adjusted	Countries and Territories	Reciprocal Tariff, Adjusted
Afghanistan	15%	Madagascar	15%
Algeria	30%	Malawi	15%
Angola	15%	Malaysia	19%
Bangladesh	20%	Mauritius	15%
Bolivia	15%	Moldova	25%
Bosnia and Herzegovina	30%	Mozambique	15%
Botswana	15%	Myanmar (Burma)	40%
Brazil	10%	Namibia	15%
Brunei	25%	Nauru	15%
Cambodia	19%	New Zealand	15%
Cameroon	15%	Nicaragua	18%
Chad	15%	Nigeria	15%
Costa Rica	15%	North Macedonia	15%
Côte d'Ivoire	15%	Norway	15%
Dem. Rep. of the Congo	15%	Pakistan	19%
Ecuador	15%	Papua New Guinea	15%
Equatorial Guinea	15%	Philippines	19%
European Union: Goods with Column 1 Duty Rate[] > 15%	0%	Serbia	35%
European Union: Goods with Column 1 Duty Rate < 15%	15% minus Column 1 Duty Rate	South Africa	30%
Falkland Islands	10%	South Korea	15%
Fiji	15%	Sri Lanka	20%
Ghana	15%	Switzerland	39%
Guyana	15%	Syria	41%
Iceland	15%	Taiwan	20%
India	25%	Thailand	19%
Indonesia	19%	Trinidad and Tobago	15%
Iraq	35%	Tunisia	25%
Israel	15%	Turkey	15%
Japan	15%	Uganda	15%
Jordan	15%	United Kingdom	10%
Kazakhstan	25%	Vanuatu	15%
Laos	40%	Venezuela	15%
Lesotho	15%	Vietnam	20%
Libya	30%	Zambia	15%
Liechtenstein	15%	Zimbabwe	15%

Transshipment Evasion “Guidance” & Penalties

CSMS # 65829726 GUIDANCE: RECIPROCAL TARIFF UPDATES EFFECTIVE AUGUST 7, 2025

Goods determined by CBP to have been transshipped to evade applicable IEEPA Reciprocal duties are subject to an additional ad valorem duty of 40 percent.

CBP will direct a correction of the entry and/or entry summary to be filed, replacing the IEEPA Reciprocal HTSUS number with heading 9903.02.01 or take action upon liquidation to collect the 40% applicable duties.

The 40% duties are in addition to any other applicable or appropriate fine or penalty, and any other duties, fees, taxes, extractions, or charges applicable to goods of the country of origin.



THE PROBLEM?

There isn't a single, universal U.S.-government definition of “transshipment” for trade.

FEDERAL MARITIME COMMISSION (FMC)

“Transshipment means the physical transfer of cargo from a vessel of one carrier to a vessel of another in the course of all-water or through transportation...”

TRADE PREFERENCE STATUTES (EX. AGOA)

For textiles/apparel, “transshipment” is defined as claiming preferential treatment based on materially false information about the article’s country of origin, manufacture, processing, or assembly.

FTA RULES AND TRANSSHIPMENT DEFINITIONS

Regulations, such as USMCA, detail that originating goods retain their originating status when they move directly from the exporting Party to the importing Party without passing through a non-Party territory. However, origin can still be preserved when passing through non-Party territories if strict conditions are met:

- The good remains under Customs control while in the non-Party territory.
- It undergoes only limited operations necessary for transport or preservation—such as unloading, reloading, separating from a bulk shipment, storing, labeling or marking required by the importing Party, or any other operation needed to preserve the good’s condition.

COUNTRY-SPECIFIC TRADE UPDATES

Partner	Agreement / Instrument	White House Publish Date	Declaration Type	Details
United Kingdom	U.S. UK Economic Prosperity Deal (Fact Sheet) + Implementation EO	2025-05-08 (Fact Sheet); 2025-06-16 (EO)	Fact Sheet; Executive Order implementing terms	Expanded market access incl. agriculture; first 100,000 UK autos each year at total 10% duty (7.5% + 2.5% MFN); additional vehicles at 25% Section 232 rate; steps on aerospace and steel/aluminum.
Canada	IEEPA Fentanyl	7/31/2025	Executive Order, Fact Sheet	35% IEEPA tariff, unless exempt, lower rate for energy and potash. USMCA compliant merchandise is still exempt.
China	U.S. China Economic and Trade Meeting in Geneva (Joint Statement) + Fact Sheet	5/12/25	Joint Statement; Fact Sheet	Suspend 24 percentage points of additional tariffs for 90 days while retaining 10% baseline; removal of modified additional ad valorem rates; mechanism for continued talks. 90 days is up on Aug 12.
Mexico	IEEPA Fentanyl	TBD	Social Media	90-day stay of the 25% IEEPA tariff, unless exempt.
Indonesia	United States Indonesia Agreement on Reciprocal Trade (Fact Sheet)	7/22/25	Fact Sheet + Joint Statement (framework; memorialization forthcoming)	U.S. reciprocal tariff rate reduced to 19% for Indonesia; Indonesia will eliminate ~99% of tariff barriers for U.S. goods; reforms on numerous non-tariff barriers; digital trade commitments.
Japan	U.S. Japan Strategic Trade & Investment Agreement (Fact Sheet)	7/23/25	Fact Sheet (policy announcement) – Pending formalization	\$550B investment vehicle; baseline 15% U.S. tariff framework on imports from Japan; expanded market access (agriculture, energy); commitment to purchase 100 Boeing aircraft.
European Union	U.S. EU Cooperation Agreement on Reciprocal, Fair and Balanced Trade (Fact Sheet)	7/28/25	Fact Sheet (policy announcement) – Pending formalization	EU eliminates all tariffs on U.S. industrial goods; EU to purchase \$750B in U.S. energy and invest \$600B in U.S. by 2028; EU imports to the US to be assessed a 15% tariff rate incl. autos/pharma/ semiconductors; sectoral tariffs on steel/aluminum/copper remain 50%.
Vietnam, India, South Korea, and others	No formal country-specific trade deal has been published	-	Global Executive Order – Country-specific deals pending formalization	Country-specific rates are as listed in Annex I of Executive Order FURTHER MODIFYING THE RECIPROCAL TARIFF RATES

Updates on U.S.-India Trade



Just this morning, August 6th, 2025, an Executive Order was signed imposing a 25% tariff on imports from India, effective August 27, 2025.

Reason: India continues to purchase oil from Russia and resells it for profit, undermining U.S. sanctions efforts.

- **The tariff applies in addition to existing tariffs**, except for items excluded under Annex II of Executive Order 14257 (April 2, 2025), and merchandise subject to Section 232, bringing the total to 50% (reciprocal + new order) if applicable.
- The in-transit exemption applies to products that were loaded onto a vessel at the port of loading and in transit on the final mode of transit before entry into the United States **before 12:01 a.m. EST on August 27th**. Products must be **entered by 12:01 a.m. EST by September 17th**.
- The Secretary of Commerce, in coordination with the Secretaries of State and Treasury, will review other countries' Russian oil imports. More nations may face similar tariffs if found to be importing Russian oil.

White House Executive Order: Addressing Threats To The United States By The Government Of The Russian Federation

Fact Sheet: President Donald J. Trump Addresses Threats to the United States by the Government of the Russian Federation

Updates on U.S.-China Trade



High-level negotiations in London, concluded on June 10, 2025, have produced a framework agreement with China, pending final approval from Presidents Trump and Xi. The deal stabilizes trade relations, with minor issues remaining, particularly around China's rare earth export controls. The U.S. seeks guaranteed semiconductor supply access to counter China's leverage.

The agreement builds on the May 2025 Geneva consensus and includes the following tariff structure on Chinese imports:

- **10% reciprocal tariff**, applied to Chinese goods under the International Emergency Economic Powers Act (IEEPA), **effective April 5, 2025.**
- **20% tariff on specific Chinese imports**, tied to China's efforts to curb fentanyl precursor shipments to the United States, implemented in February 2025.
- **7.5% - 25% tariff** on certain goods **under existing Section 301 provisions**, targeting unfair trade practices such as intellectual property theft.

AUGUST 12 IS THE END OF THE CURRENT RECIPROCAL TARIFF REDUCTION

Potential for rates to return to 34% (instead of 10%) for reciprocal tariffs, without further change.

U.S. Treasury Secretary Scott Bessent recently told reporters after the talks that President Donald Trump would decide whether to extend the Aug. 12 deadline.

Updates on U.S.-EU Trade

The White House announced a trade arrangement with the European Union (EU). It aims to update Transatlantic economic ties, expand market access, and establish reciprocal tariffs and investments.

- **A 15% reciprocal tariff** applies to some products of the EU, **effective August 7th**
- The additional tariff applicable is determined by the current ad valorem (or ad valorem equivalent) rate of duty under column 1 (General) of the HTSUS ("Column 1 Duty Rate").
- For a good of the European Union with a Column 1 Duty Rate **less than 15 percent**, the sum of its Column 1 Duty Rate and the additional reciprocal tariff shall be 15 percent.
- No additional reciprocal tariffs apply to goods of the European Union with a Column 1 Duty Rate of **at least 15 percent**.
- The in-transit exemption applies to products that were loaded onto a vessel at the port of loading and in transit on the final mode of transit before entry into the United States before 12:01 a.m. EST on August 6th. Products must be entered by 12:01 a.m. EST by October 5th.
- There is potential for providing special treatment for strategic products such as aircraft and aircraft parts, certain chemicals, certain drug generics, or natural resources, with both parties tentatively agreeing to continue to expand the list. However, nothing has been formalized.

BEFORE AUGUST 7

6105.20.1000

Men's knitted shirt, man-made fibers, containing 23% or more by weight of wool or fine animal hair

General Rate of Duty = 13.6%

Reciprocal Tariff = 10%

Total = 23.6%

Value Each = \$5.00

Total Tariff Each = \$1.18

New Shirt Cost = \$6.18

6105.20.2010

Men's knitted shirt, man-made fibers, other

General Rate of Duty = 32%

Reciprocal Tariff = 10%

Total = 42%

Value Each = \$5.00

Total Tariff Each = \$2.10

New Shirt Cost = \$7.10

EU Tariff Examples

Under the new U.S. -EU trade deal, some industries not impacted by other trade initiatives will experience a reduction on tariffs starting August 7th.



AFTER AUGUST 7

6105.20.1000

Men's knitted shirt, man-made fibers, containing 23% or more by weight of wool or fine animal hair

General Rate of Duty = 13.6%

Reciprocal Tariff = 15%-13.6% = 1.4%

Total = 15%

Value each = \$5.00

Total tariff each = \$.75

New Shirt Cost = \$5.75

6105.20.2010

Men's knitted shirt, man-made fibers, other

General Rate of Duty = 32%

Reciprocal Tariff = 0%

Total = 32%

Value each = \$5.00


Total tariff each = \$1.60

New Shirt Cost = \$6.60

HTS	BEFORE AUGUST 7	AFTER AUGUST 7		
6105.20.1000				
Men's knitted shirt, man-made fibers, containing 23% or more by weight of wool or fine animal hair	All	European Union	Vietnam	South Africa
General Rate of Duty	13.6%	13.6%	13.6%	13.6%
Reciprocal Tariff	10%	15%-13.6% = 1.4%	20%	30%
Total	23.6%	15%	33.6%	43.6%
Value Each	\$5.00	\$5.00	\$5.00	\$5.00
Total Tariff Each	\$1.18	\$0.75	\$1.68	\$2.18
New Shirt Cost	\$6.18	\$5.75	\$6.68	\$7.18

HTS	BEFORE AUGUST 7	AFTER AUGUST 7		
6105.20.2010				
Men's knitted shirt, man-made fibers, other	All	European Union	Vietnam	South Africa
General Rate of Duty	32%	32%	32%	32%
Reciprocal Tariff	10%	0%	20%	30%
Total	42%	32%	52%	62%
Value Each	\$5.00	\$5.00	\$5.00	\$5.00
Total Tariff Each	\$2.10	\$1.60	\$2.60	\$3.10
New Shirt Cost	\$7.10	\$6.60	\$7.60	\$8.10

TARIFF LOOKUP TOOLS ARE ALREADY AVAILABLE



DashboardOrdersBookingsShipments ▾Analytics ▾AccountingTools ▾

Olga Lyakhovetskaya

Demo

Tariff Lookup

HTS Lookup

Need help finding the correct HTS Code? [Click Here](#)

8-Digit HTS Code

6105.20.10

Country of Origin

Germany ▾

6105.20.10

Unit Of Measure: DOZ / KG

Men's or boys' shirts, knitted or crocheted, of manmade fibers, containing 23 percent or more of wool or fine animal hair

Clear

Search

Details

Germany

Base (MFN)	13.60%
IEEPA / Reciprocal	10.00%

+

 Add a Country to Compare

- Temporary tariff exemptions listed in Chapter 99 of the US Harmonized Tariff Schedule may not be applied to codes from certain origin countries. Verify exemptions against the USITC Chapter 99 notes.
- Section 232 duty rates for percent-based copper, steel, and aluminum products and derivatives are based on 'worst-case' percentage.
- Goods subject to certain provisions of Section 232 may be exempt from other Section 232 and/or IEEPA reciprocal tariffs, depending on content and intended use. This tool does not account for these exemptions, nor does it differentiate between Section 232 Copper, Steel / Aluminum, and Auto provisions; 'worst-case' rates are applied.
- Tariff lookup excludes Belarus, Cuba, North Korea and Russia. The exclusion of those countries from the Country list is intentional.
- Always confirm classifications and rates with your customs broker.

Updates on U.S.-Brazil Trade



An Executive order was issued on July 30, 2025, imposing an additional 40% tariff on products of Brazil:

- **40%** reciprocal tariff, applied to Brazilian goods under the International Emergency Economic Powers Act (IEEPA), **effective August 6, 2025.**
- Unless exempt, the **40% tariff is in addition** to the 10% reciprocal tariff, for a **total of 50%.**
- Products subject to Section 232 tariffs, products classified in Annex I to this EO (includes products such as silicon metal, pig iron, civil aircraft), products under certain classifications in CH 98 **are exempt.**
- The in-transit exemption to the 40% tariff applies to products loaded onto a vessel at the port of loading and in transit on the final mode of transit before entry into the United States before 12:01 a.m. EST on August 6th. Products must be entered by 12:01 a.m. EST on October 5th.
- **Drawback is available** on these tariffs.
- **Privileged foreign status** required for FTZ admissions.

SECTION 301 INVESTIGATION INITIATED FOR BRAZIL IMPORTS ON JULY 15

The investigation is seeking to evaluate practices related to digital trade and electronic payment services, tariffs, anti-corruption enforcement, intellectual property protection, ethanol market access, and deforestation

Updates on U.S.-Canada Trade



An Executive order was issued on July 31, 2025, imposing an additional 10% tariff on products of Canada:

- Under the International Emergency Economic Powers Act (IEEPA), **an additional 10% tariff** (an increase from **25% to 35%**) applies to Canadian goods, **effective August 1, 2025**.
- Goods qualifying for preferential tariff treatment under the United States-Mexico-Canada Agreement (USMCA) **continue to be exempt from the IEEPA Canada tariffs**.
- **ALL OTHER EXEMPTIONS REMAIN IN PLACE**
- Energy and potash continue to be assessed a 10% tariff.
- Goods transshipped to evade the 35% tariff will be subject, instead, to a transshipment tariff of 40%.
- **There is no in-transit exemption** for the tariff increase, quick implementation.
- **Drawback is not available** on these tariffs.
- Mexico rates remain unchanged for another 90 days.

https://content.govdelivery.com/bulletins/gd/USDHSCBP-3ec01d1?wgt_ref=USDHSCBP_WIDGET_2

<https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-president-donald-j-trump-amends-duties-to-address-the-flow-of-illicit-drugs-across-our-northern-border/>

IEEPA Legal Update



Two federal courts recently struck down sweeping tariffs that the Trump Administration had recently imposed under the International Emergency Economic Powers Act (IEEPA).

The CIT panel unanimously ruled that the president's actions to impose tariffs under IEEPA are unlawful, and it granted a nationwide permanent injunction to legally bar the government from collecting the tariffs.

Importantly, the CIT **did not** conclude that the president lacks authority under IEEPA to impose tariffs *as a general matter*; instead, how these were implemented created leverage for other issues, but the tariffs do not deal with these issues directly.

Injunctions invalidating the IEEPA tariffs are **currently stayed**, and **importers are required to continue paying tariffs for now**.

Last week, an 11-judge panel at the U.S. Court of Appeals for the Federal Circuit appeared skeptical of the Trump administration's argument that it can use a congressional statute, the International Emergency Economic Powers Act (IEEPA), to impose expansive tariffs.

Even if the Supreme Court ultimately blocks the tariffs, the Trump Administration may advance its tariff agenda to other legal authorities, such as Section 122, 338, 301, or 232.

Sector	Status	Effective / Initiation Date	Tariff Rate (ad valorem)	Scope (plain English)
Copper	Active tariff	August 1, 2025	<p>50% additional, on copper content</p> <p>IEEPA tariffs apply to non-copper content, where applicable.</p> <p>If subject to 232 auto, the copper tariff doesn't apply.</p>	<p>Semi-finished copper products (e.g., pipes, wires, rods, sheets, tubes) and copper-intensive derivative products (e.g., pipe fittings, cables, connectors, electrical components), - refined copper, ores, concentrates, cathodes, anodes, scrap excluded per WH materials.</p> <p>Full HTS list here: https://content.govdelivery.com/bulletins/gd/USDHSCBP-3ebf0e0?wgt_ref=USDHSCBP_WIDGET_2</p>

SECTION 232 - COPPER



- The United States intends to coordinate with the United Kingdom to adopt a structured, negotiated approach to addressing the national security threat in the copper sector.
- A process for including additional derivative copper articles to be added **within 90 days**.
- This **tariff is in addition to any other duties, fees, exactions, and charges** applicable to such imported semi-finished copper products and intensive copper derivative products, unless exempt.
- The additional tariff shall apply **only to the copper content of articles subject to this proclamation. If unknown, tariff applies to entire value.**
- CBP shall issue authoritative guidance mandating strict compliance with declaration requirements for copper content in imported articles and outlining maximum penalties for noncompliance, including that importers who submit underreported declarations may be subject to severe consequences, such as significant monetary penalties, loss of import privileges, and criminal liability, consistent with United States law.
- Privileged foreign** status is required for FTZ admissions.
- Drawback is not available.**
- Section 232 authorizes the President to adjust the imports of articles and their derivatives into the United States in such quantities or under such circumstances as to threaten to impair national security, so that such imports will not threaten to impair national security.
- Section 604 of the Trade Act of 1974, as amended, 19 U.S.C. 2483, authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTSUS) the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

SECTION 232 INVESTIGATIONS



Sector	Status	Effective / Initiation Date	Notes	Tariff Rate (ad valorem)	Authority / Instrument	FR Doc No.	FR Citation	Docket ID	Primary WhiteHouse.gov URL	Primary Federal Register URL
Timber & Lumber	Investigation only	2025-03-10 (initiated)	-	-	BIS Notice (Request for Comments); per EO 14223 (90 FR 11359)	2025-04060	90 FR 11941 (Mar. 13, 2025)	BIS-2025-0011	https://www.whitehouse.gov/presidential-actions/2025/03/addressing-the-threat-to-national-security-from-imports-of-timber-lumber/	https://www.federalregister.gov/documents/2025/03/13/2025-04060/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of
Semiconductors & Semiconductor Manufacturing Equipment	Investigation only	2025-04-01 (initiated)	-	-	BIS Notice (Request for Comments)	2025-06591	90 FR 15950 (Apr. 16, 2025)	BIS-2025-0023	-	https://www.federalregister.gov/documents/2025/04/16/2025-06591/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of
Pharmaceuticals & Pharmaceutical Ingredients	Investigation only	2025-04-01 (initiated)	-	-	BIS Notice (Request for Comments)	2025-06587	90 FR 15951 (Apr. 16, 2025)	BIS-2025-0022	-	https://www.federalregister.gov/documents/2025/04/16/2025-06587/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of
Trucks (Medium- & Heavy-Duty) & Parts	Investigation only	2025-04-22 (initiated)	-	-	BIS Notice (Request for Comments)	2025-07260	90 FR 17371-17372 (Apr. 25, 2025)	BIS-2025-0024	-	https://www.federalregister.gov/documents/2025/04/25/2025-07260/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of
Processed Critical Minerals & Derivative Products	Investigation only	2025-04-22 (initiated)	-	-	BIS Notice (Request for Comments); per EO 14272 (90 FR 16437)	2025-07273	90 FR 17372-17373 (Apr. 25, 2025)	BIS-2025-0025	https://www.whitehouse.gov/presidential-actions/2025/04/ensuring-national-security-and-economic-resilience-through-section-232-actions-on-processed-critical-minerals-and-derivative-products/	https://www.federalregister.gov/documents/2025/04/25/2025-07273/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of
Commercial Aircraft & Jet Engines (and Parts)	Investigation only	2025-05-01 (initiated)	-	-	BIS Notice (Request for Comments)	2025-08500	90 FR 20273-20274 (May 13, 2025)	BIS-2025-0027	-	https://www.federalregister.gov/documents/2025/05/13/2025-08500/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of
Polysilicon & its Derivatives	Investigation only	2025-07-01 (initiated)	-	-	BIS Notice (Request for Comments)	2025-13345	90 FR 31955-31956 (July 16, 2025)	BIS-2025-0028	-	https://www.federalregister.gov/documents/2025/07/16/2025-13345/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of
Unmanned Aircraft Systems (UAS) & Parts	Investigation only	2025-07-01 (initiated)	-	-	BIS Notice (Request for Comments)	2025-13365	90 FR 31958-31959 (July 16, 2025)	BIS-2025-0059	-	https://www.federalregister.gov/documents/2025/07/16/2025-13365/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of

SECTION 301 INVESTIGATIONS



Investigation / Target	Status	Key Dates / Next Milestones	FR Citation	FR Doc No.	Docket ID(s)	Official USTR / FR URL
Brazil — Section 301 (Digital trade, e-payments; preferential tariffs; anti-corruption; IP; ethanol market access; illegal deforestation)	Open — Investigation initiated	Initiated 2025-07-15; Comments & hearing requests due 2025-08-18 23:59 ET; Public hearing 2025-09-03 (USITC)	90 FR 34069 (2025-07-18)	2025-13498	USTR-2025-0043 (comments); USTR-2025-0044 (requests to appear)	USTR press release: https://ustr.gov/about/policy-offices/press-office/press-releases/2025/july/ustr-announces-initiation-section-301-investigation-brazils-unfair-trading-practices FR: https://www.federalregister.gov/documents/2025/07/18/2025-13498/initiation-of-section-301-investigation-brazils-acts-policies-and-practices-related-to-digital-trade
China — Section 301 (Targeting of the semiconductor industry for dominance)	Open — Investigation initiated; hearing held	Initiated 2024-12-23; Comments due 2025-02-05; Hearing 2025-03-11-12; (No determination posted as of 2025-08-01)	89 FR 106725 (2024-12-30)	2024-31306	USTR-2024-0024 (comments); USTR-2024-0025 (requests to appear)	USTR: https://ustr.gov/trade-topics/enforcement/section-301-investigations/section-301-chinas-targeting-semiconductor-industry-dominance FR: https://www.federalregister.gov/documents/2024/12/30/2024-31306/initiation-of-section-301-investigation-hearing-and-request-for-public-comments-chinas-acts-policies
China — Section 301 (Targeting of maritime, logistics & shipbuilding sectors for dominance)	Action underway — Determination issued; actions adopted; proposed modifications pending	Determination: 2025-01-16 (actionable); Actions adopted: 2025-04-17 (fees set to \$0 for first 180 days; begin 2025-10-14); Proposed modification notice: 2025-06-12 (comments closed 2025-07-07)	90 FR 8089 (Determination, 2025-01-23); 90 FR 17114 (Action & Proposed Action, 2025-04-23); 90 FR 24857 (Proposed Modification, 2025-06-12)	2025-01540; 2025-06927; 2025-10660	USTR-2025-0008 (comments on proposed tariff actions); USTR-2025-0009 (requests to appear); USTR-2025-0013 (comments on proposed modification)	USTR landing: https://ustr.gov/trade-topics/enforcement/section-301-investigations/section-301-chinas-targeting-maritime-logistics-and-shipbuilding-sectors-dominance FR (Action): https://www.federalregister.gov/documents/2025/04/23/2025-06927/notice-of-action-and-proposed-action-in-section-301-investigation-of-chinas-targeting-the-maritime FR (Proposed Mod.): https://www.federalregister.gov/documents/2025/06/12/2025-10660/notice-of-proposed-modification-of-action-in-section-301-investigation-of-chinas-targeting-the
Nicaragua — Section 301 (Labor rights, human rights, rule of law)	Open — Investigation initiated; hearing held 2025-01-16	Initiated 2024-12-10; Comments/request to appear due 2025-01-08; Hearing 2025-01-16; Rebuttal comments due 2025-01-23; (No determination posted as of 2025-08-01)	89 FR 101088 (2024-12-13)	2024-29422	USTR-2024-0021 (comments); USTR-2024-0022 (requests to appear)	USTR press release: https://ustr.gov/about-us/policy-offices/press-office/press-releases/2024/december/ustr-initiates-section-301-investigation-nicaraguas-acts-policies-and-practices-related-labor-rights FR: https://www.federalregister.gov/documents/2024/12/13/2024-29422/initiation-of-section-301-investigation-hearing-and-request-for-public-comments-nicaraguas-acts

De Minimis Update – Non-Postal Shipments

An **executive order** issued July 30, 2025, announces the effective date beginning at 12:01 a.m. Eastern Daylight Time on August 29, 2025.

- CBP will suspend the de minimis exemption under 19 U.S.C. 1321(a)(2)(C).
- All non-postal shipments, regardless of value or origin, will be subject to duties, taxes, fees, and other charges.

HOW WILL THE END OF DE MINIMIS IMPACT U.S. COMPANIES?



Importers must file entries using appropriate entry types for all shipments previously qualified for de minimis treatment.



Informal entries valued at or below \$2,500 now require a basic importation and entry bond under 19 CFR 113.62.



Potential delays due to the shift in policy and higher entry requirements.



Higher costs.



Shift in strategy to U.S. fulfillment.

De Minimis Update – Postal Shipments

An **executive order** issued July 30, 2025, announces the effective date beginning at 12:01 a.m. EDT August 29, 2025.

- CBP will suspend the de minimis exemption under 19 U.S.C. 1321(a)(2)(C).
- International postal shipments are subject to tariffs under two different methodologies, which the transportation carrier can select and not change more than once per calendar month, or on another schedule that is determined appropriate by CBP, and by providing notice to CBP.

These options will be available only for six months, with only the first option being available after six months

TARIFF METHODOLOGIES FOR DE MINIMIS INTERNATIONAL POSTAL SHIPMENTS

1 A duty equal to the effective IEEPA tariff rate applicable to the country of origin of the product shall be assessed on the value of each dutiable postal item (package) containing goods entered for consumption.

2 A specific duty shall be assessed on each package containing goods entered for consumption, based on the effective IEEPA tariff rate applicable to the country of origin of the product as follows:

- Countries with an effective IEEPA tariff rate of less than 16 percent: \$80 per item
- Countries with an effective IEEPA tariff rate between 16 and 25 percent: \$160 per item
- Countries with an effective IEEPA rate above 25 percent: \$200 per item.

HTS Modeling Tools

Tariff modeling tools are available in the market and are a great way to aggregate large data sets into functional operations.

Model any tariff impact scenario,
explore alternative sourcing options,
and make adjustments based on
any duty rate, in real time.

Leverage current trade data
or forecast orders to simulate the impact of
changes in duties, freight, and purchase
price for insights into cost efficiencies and
strategic sourcing opportunities.

Optimize the supply chain
by predicting potential risks and identifying
the most cost-effective routes to stay ahead
of global trade fluctuations and ensure
business remains competitive and resilient.

A screenshot of a web application titled 'Tariff Impact Analysis'. The interface includes a sidebar with navigation icons, a top navigation bar with filters for date range, IOR No, Country of Origin, and Goods Description. The main content area displays three summary boxes for duty amounts and a methodology section with two steps for adjusting duty rates by country and HTS code. The interface is clean and modern, with a white background and blue accents.

Tariff Impact Analysis

1/1/2023 – 1/21/2025

IOR No

Country of Origin (2)

Goods Description

ACTUAL DUTY PAID
\$38,429,608

POTENTIAL DUTY
\$54,766,491
↑ \$16,336,883

POTENTIAL DUTY (WITHOUT CURRENT SAVINGS PROGRAMS)
\$62,772,504
↑ \$24,342,896

Methodology

1 Adjust Special Duty Rate By Country of Origin

COUNTRY	ADJUSTED SPECIAL DUTY RATE	CONTROLS
China	10 %	Remove
Canada	25 %	Remove
Mexico	25 %	Remove
All Other Countries	10 %	Add

2 Adjust Duty Rates By HTS Code / Country of Origin

Adjustments here will override adjustments made in section 1

HTS CODE (10 DIGIT)	COUNTRY	ADJUSTED SPECIAL DUTY RATE	CONTROLS
8407909040	Philippines (the)	20 %	Remove
Add			

Update Methodology

Originally enacted in 1789 as part of the Original Tariff Act, duty drawback is the refund of 99% of the duties, taxes, fees and tariffs paid to Customs and Border Protection on merchandise imported into the United States **that is subsequently exported or destroyed.**

The **U.S. exporter** is initial eligible party to receive drawback but can waive/endorse it **to other parties.**

Duty Drawback is a complex Customs program that is an investment of both time and labor but can reap some incredibly powerful rewards.

With Drawback privileges and complete documentation/data, claims can be made for imports from the past 5 years.

Duty Drawback



ELIGIBLE:

Section 301 Tariffs
IEEPA Reciprocal
Tariffs
IEEPA Emergency
Tariffs - Brazil

INELIGIBLE:

IEEPA Fentanyl Tariffs
Section 232 Tariffs
AD/CVD

Types of Duty Drawback

TFTEA 1313(A) DIRECT IDENTIFICATION & TFTEA 1313(B) SUBSTITUTION MANUFACTURING

Allows for the refund of the import duty and tax on components that are imported into the United States and **further manufactured into a new product with a new name and character use**, a.k.a. substantial transformation, and then exported or destroyed.

TFTEA 1313(J)(1) DIRECT IDENTIFICATION & TFTEA 1313(J)(2) SUBSTITUTION UNUSED MERCHANDISE

Allows for the refund of the import duty and tax on merchandise that was **exported in an unused condition**.

Some operations, such as testing, cleaning, etc., allow the merchandise to still be unused. However, if the merchandise has been used for its intended purpose in the United States, it's no longer considered unused.

TFTEA 1313 (C) – REJECTED MERCHANDISE

Enables import duties and taxes refunds for merchandise that **failed to meet specifications upon importation** or **for products shipped without the consignee's consent**.

Documentation substantiating these circumstances must accompany the claim filing, and the merchandise must not have been used in the United States for its intended purpose.

Roll of fabric imported

Made into t-shirt in the U.S.



Export t-shirt made of the same fabric as imported (direct ID)



OR

Export different color t-shirt



Import t-shirt in the U.S.

Export same t-shirt



OR

Export different color t-shirt



Import t-shirt in the U.S.

T-shirt doesn't meet specifications

Export same t-shirt



Things Importers Should Be Watching

Formalization and updates of trade agreements

IEEPA legal updates

Guidance on CBP's interpretation of "transshipment" terminology

Additions to the Section 232 lists, and updates on open investigations

Thank you for attending

A copy of this presentation will be emailed to all attendees.

A video recording of this presentation will be emailed to all registrants.

Green's Essentials of Duty Drawback Guide will also be provided as a resource.

**FOR MORE INFORMATION ON TARIFF TOOLS & MODELING,
OR TO SCHEDULE A 1-ON-1 TRADE CONSULTATION,
CONTACT WEB@GREENWORLDWIDE.COM**

