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International Trade, Customs & Export Law

Textiles, Tariffs and Trade Update

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Tariffs Announced/Currently in Place

Country	Tariffs /Type	Notes
China	Sec. 301 7.5/25/50/100%	Some exclusions which expire May 31, 2025; Unlikely renewed List 4b and some items not covered
China	IEEPA Fentanyl 20%	All Products; NO exclusions
Canada	IEEPA Border 25% other than energy/potash 10% potash/energy	All products; USMCA qualifying goods exempted
Mexico	IEEPA Border 25% other than potash 10% potash	All products; USMCA qualifying goods exempted
ALL	Sec. 232 Steel and Aluminum 25%	Specific steel/aluminum and derivative products; exclusion process and country agreements abolished

Tariffs Announced/Currently in Place

Country	Tariffs /Type	Notes
ALL	Sec. 232 Automobiles and auto parts 25%	U.S. content of USMCA qualifying automobiles exempt; USMCA qualifying parts exempt; 25-year-old vehicles exempt
ALL	IEEPA Reciprocal tariffs* 10% April 5; 10-50% April 9	*Country-specific rates >10% suspended until July 9 Exceptions: U.S. content if at least 20%; Products subject to Sec. 232 tariffs, other specified products, and column 2
China	IEEPA Reciprocal Retaliatory Tariff* 125% 10%	*Effective April 10-May 13 – 125%; May 14–Aug 12 -10% De Minimis eligibility revoked effective May 2

Tariffs POTENTIALLY to be applied:

Country	Tariffs /Type	Status
Various	IEEPA Venezuela 25%	Countries importing oil/products directly or indirectly from Venezuela
China	Sec. 301 Semiconductors	Initiated December 2024; Public hearing held on March 11, 2025
ALL	Sec. 232 Copper	Initiated March 10, 2025; public comments due April 1
ALL	Sec. 232 Lumber/Timber	Initiated March 10, 2025; public comments due April 1
ALL	Sec. 232 Pharmaceuticals	Initiated April 1, 2025 (FR notice April 16); public comments due May 7, 2025
ALL	Sec. 232 Semiconductors	Initiated April 1, 2025 (FR notice April 16); public comments due May 7, 2025



Tariffs POTENTIALLY to be applied:

Country	Tariffs /Type	Status
ALL	Sec. 232 Critical Minerals/Rare Earth Elements	Initiated April 22, public comments due May 17
ALL	Sec. 232 Trucks	Initiated April 22, public comments due May 17
China	Sec. 301 Chinese shipbuilding Up to 100% on Ship-to-Shore Cranes and Cargo Handling Equipment	Proposed tariffs announced; public comments due May 19
Nicaragua	Sec. 301 Labor/Human Rights	Initiated December 2024; Public hearing held on January 16, 2025; 12 months for decision
Various	FMC Choke Points	Investigation phase: Potential \$1m penalty; block unloading; block ships
ALL	Sec. 232 Airplanes and Jet Engines & Parts	Initiated May 1, Comments due June 3



Possible Horizon Tariffs:

Country	Tariffs /Type	Notes
Austria, France, Italy, Spain, Turkey	Sec. 301 Digital Services Taxes	Prior 301 penalties suspended due to OECD agreement
ALL	Sec. 232 Energy and energy products	Scope possibly named in Annex II of IEEPA Reciprocal Tariffs
ALL	Sec. 301 Seafood	April 17 EO to consider Sec. 301 investigation
ALL	??/Movies	Presidential Tweet of 100% tariffs on NON-US produced movies

Steel and Aluminum Tariffs

- Bureau of Industry and Security expanded the list of Aluminum derivatives subject to 25% tariff, effective April 4
- Added beer and empty aluminum cans
- New process for adding items
 - Window to submit open May, September January
 - 2 weeks to submit petitions (May 15);
 - 2 weeks to submit comments on petitions (May 30)
 - 60 days for BIS to make determination
- Interim Final Rule: Comments by June 16



Reciprocal Tariffs

- 10% tariff baseline tariff effective April 5
- 11-50% tariff on selected countries effective for goods entered on April 9
- 11-50% tariffs suspended until July 9 for all countries but China
- 125% for China effective April 10: SUSPENDED on May 14



May 12 Executive Order



- Reflects agreement between US-China
- Lowers reciprocal tariff to 10% from 125%
- Effective for goods ENTERED for consumption on or after 12:01 am May 14
- Reduced duty rate on international postal de minimis shipments from 120% to 54% and will hold the per package fee of \$100 until further notice (recall that it was to increase on June 1, 2025 to \$200)

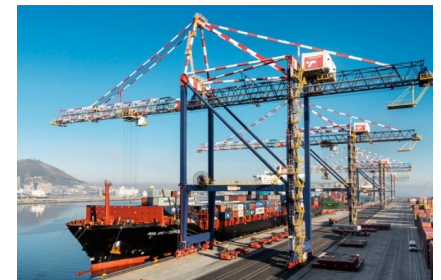
May 12 Executive Order

- ?What about shipments exported on or after May 14?
- ?What about goods ready now?
- ?What about exporting, collecting duty drawback and re-entering?
- ?What does this do to investment in the region?



China Shipbuilding – New Proposed Tariffs

- 20% to 100% tariff on China-origin containers, chassis, and chassis parts
- 100% tariff on ship-to-shore cranes that are manufactured, assembled, or made using components of Chinese origin, or manufactured anywhere in the world by a company owned, controlled, or substantially influenced by a Chinese national.
- Tariffs are in addition to other applicable duties



China Shipbuilding – Fees

- Shipbuilding fees starting October 14, 2025 (lower than initially proposed)
 - Chinese operated or owned: \$50 per net ton against any vessel, increasing by \$30 annually over the next three years.
 - Chinese-built vessels: the higher of (i) \$18 per net ton or (ii) \$120 per container, increasing incrementally over the next three years.
 - Foreign vessels: \$150 per Car Equivalent Unit (CEU) capacity
- Require use of U.S. vessels for the maritime transport of a certain percentage of LNG exports, starting at 1% on April 17, 2028, and increasing incrementally over the next 19 years (to 15% in 2047).
- Note: fees and requirements are not cumulative. A vessel will be subject either to (a) one of the three fees; or (b) the requirement for LNG exports

China Shipbuilding – Fees

- **EXEMPTION:** Vessels engaged in short sea shipping (i.e. voyages of less than 2,000 nautical miles from certain U.S. ports)
 - Don't know which ports are "certain U.S. ports"
 - All of Central America and the Caribbean is included
 - Colombia, Venezuela, Guyana, Suriname, possibly northern Brazil and Ecuador



Deals/Bilaterals

- Bilateral Focus
 - US-UK Agreement
 - UK:
 - 10% IEEPA Reciprocal tariffs remain, no increase July 9
 - TRQ of 100,000 for autos of 10%; remainder is 25% + MFN
 - Steel/AL tariffs reduced to 0%
 - US:
 - Ethanol TRQ of 0% up to 1.4 billion liters
 - Beef TRQ of 0% up to 13,000 metric tons
 - Average tariff reduced from 5.1% to 1.8%



Current Reciprocal negotiations

- Reportedly 24 countries; in groups of 6; rotating meetings every 4th week
- Countries reportedly include

Australia	Iceland	Qatar
Brazil	India	Saudi Arabia
Canada	Indonesia	Singapore
Chile	Israel	S. Korea
Colombia	Japan	Switzerland
EU	Malaysia	Taiwan
Germany	Mexico	Thailand
Guyana	Philippines	Vietnam

Congressional Reaction

Senate

- Joint Resolution re: Canada IEEPA – introduced March 11, 2025
 - Democrats: Kaine (VA), Warner (VA), Van Hollen (MD), Whitehouse (RI), King (ME), and Coons (DE)
 - Approved April 2 by a 51-48 vote (four Republicans voting in favor)
- S.J. Res 49 re: IEEPA Reciprocal – April 10, 2025
 - Wyden (OR), Paul (KY) Schumer (NY) Kane (VA) Shaheen (NH) Welch (VT) Warren (MA)
 - **Tabled**
- Trade Review Act S. 1272 – introduced April 3, 2025
 - Bipartisan: Cantwell (D-WA) and Grassley (R-IA) – 12 additional co-sponsors (7 –R, 7-D)
 - Would require 48-hour notice to Congress; Congressional vote of approval within 60 days; Ability to pass resolution of disapproval



Congressional Reaction

House

- H.J. Res 73 - Joint Resolution re: April 2 IEEPA tariffs
 - Democrats: Meeks (NY), Neal (MA), Larsen (WA), + 27 other Democrats
 - Not getting vote: Parliamentary procedure suspended calendar days until September 30, 2025



Congressional Action

- Part of Big Beautiful Tax bill
- Mark up May 13
- Permanently eliminate section 321 de minimis for <\$800 goods
 - Effective July 1, 2027
- \$5000 penalty for first offense/\$10,000 for each subsequent offense
 - Effective 30 days after enactment



Court Challenges



- At least six suits filed challenging IEEPA tariffs
 - States of Oregon, Vermont, Nevada, Arizona, Colorado, Connecticut, New York, Delaware, Illinois, Maine, New Mexico and Minnesota (CIT)
 - State of California (district court)
 - Business advocacy group Liberty Justice Center (CIT)
 - Small business owners in Florida (district court)
 - Native American tribe in Montana (district court)
 - U.S. citizen (CIT)
- Oral arguments May 13
- If court upholds emergency injunction could quash Trump negotiations and pause tariffs

Private Sector

- Stock and bond market reaction
- CEOs of biggest U.S. retailers meeting with Trump – warn of impact of tariffs
- S&P 500 first earning calls so far – 90% citing tariffs



What's Next?



Questions?

Thank you!

