

# 2025: YTD Tariff Domino Effect

January 26  
Threat of  
tariffs on  
Colombia:  
retracted

February 3  
30 day pause  
on Canada &  
Mexico 25%

February 4  
China 10%  
IEEPA  
begins

February 4  
China retaliates  
w/15% on energy  
& 10% on crude  
ag machinery,  
large engines

February 25  
Copper 232  
investigation  
opens  
PENDING

March 1  
Lumber/  
Timber/ Paper  
232  
investigation  
opens  
PENDING

March 4  
25% Canada/  
Mexico IEEPA  
begins (energy  
reduced to  
10%)

March 4  
China  
IEEPA  
doubled to  
20%

March 4  
Canada  
retaliates with  
tariffs on  
range of US  
goods. (list 1)

March 5<sup>th</sup>  
1 month  
exemption from  
Canada &  
Mexico 25% for  
US automakers

March 6  
USMCA goods exempt  
from 25% Canada &  
Mexico tariff. 25% on  
non-qualifying goods  
(10% energy)

March 10  
China  
retaliates again  
with up to 15%  
on US ag/farm  
exports.

March 12  
Steel at 25%,  
aluminum raised by  
10% to 25%.  
Removes all  
exemptions.

March 12  
If S&A tariff paid,  
goods exempt from  
reciprocal tariffs.

March 12  
EU retaliatory duties  
on wide range of US  
goods beginning April  
15  
4/11 EU Pauses

March 24  
25% tariff on  
countries buying  
Venezuelan  
oil/gas  
PENDING

April 1  
Pharma 232  
investigation  
opens  
PENDING

April 2  
President  
announces  
Global  
Reciprocal  
tariffs at 10% -  
50%

April 3  
25% tariff on  
autos & auto  
parts.  
Expanding  
thru May 3

April 3  
Canada  
announces  
25% retaliatory  
tariffs on US  
vehicles

April 4  
China announces  
34% tariff on all  
US goods  
effective April 10  
125% announced  
4/11

April 4  
Beer cans  
added to  
S&A tariff  
list

April 5  
Global  
Reciprocal  
tariffs at  
10%

April 5  
USMCA exemption  
extended  
indefinitely/25% for  
non-qualifying goods  
from Canada & Mexico

April 9  
Global 10%  
Reciprocal  
tariffs rise for  
countries with  
higher rates  
(10-50%)

April 9  
US announces  
additional  
84% tariff for  
China

April 10 Global  
Reciprocal tariffs  
reduced to 10%  
for 90 days  
except China at  
125%

April 5, 9, 10  
departure &  
May 27 / June  
16 Arrival  
Exemption  
opportunity

April 11  
Semiconductor  
232  
investigation  
opens  
PENDING

April 11  
semiconductor  
exemptions  
announced  
RETROACTIVE  
to April 5

April 11 CBP  
announces fix  
to date  
exemption for  
reciprocal  
tariffs

April 17  
USTR  
announces  
China Ships  
fees; 1<sup>st</sup> set to  
begin Oct. 14

April 22  
Critical Minerals  
232  
investigation  
opens  
PENDING

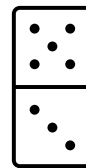
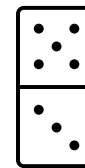
April 22  
Medium & heavy  
duty truck and  
part 232  
investigation  
opens PENDING

April 29  
First stacking rule  
announced (auto,  
CA/MX, S&A)  
RETROACTIVE to  
March 4

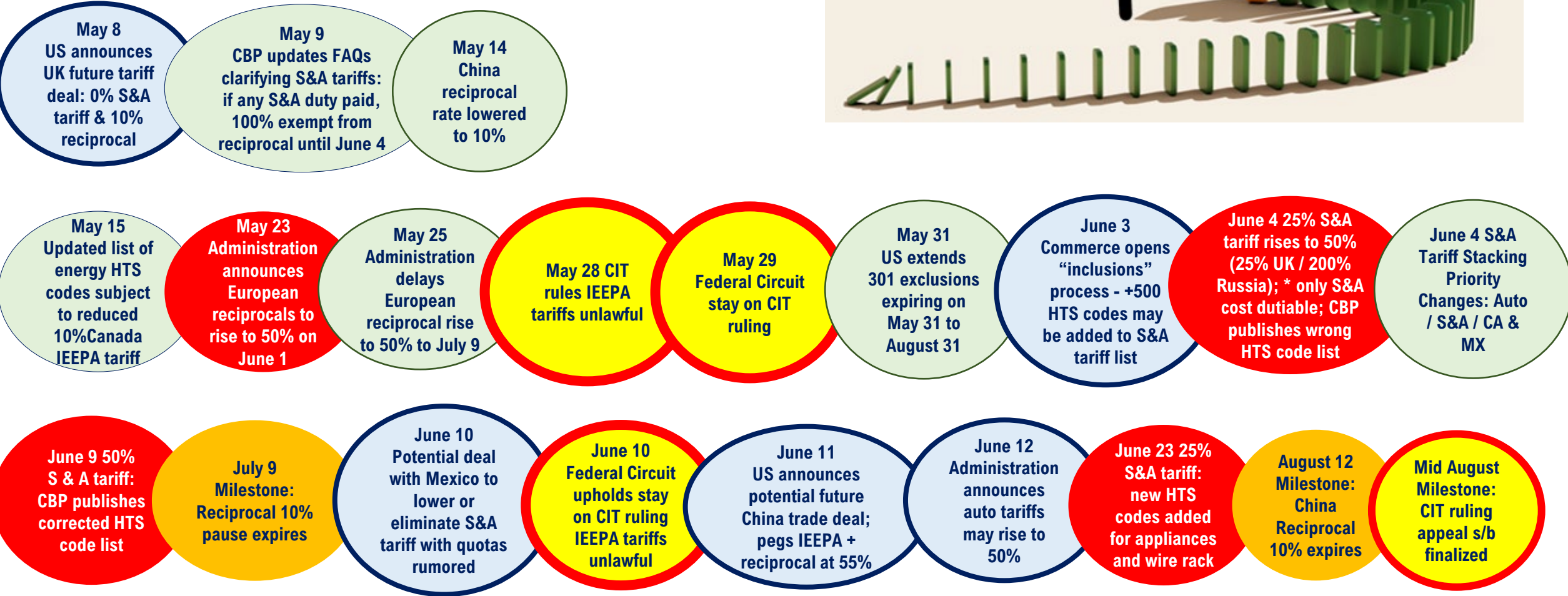
May 1  
Aircraft and  
aircraft part  
232  
investigation  
opens  
PENDING

May 2 End of  
de minimis  
exemption  
for China &  
Hong Kong

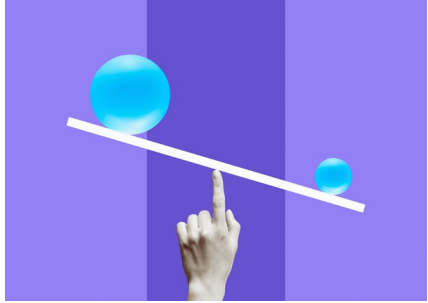
May 8  
US announces  
UK future tariff  
deal: 0% S&A  
tariff & 10%  
reciprocal



# 58 Notable Compliance Obligations to Track



# 2025 Tariffs - Where are we today?



## Reciprocal Tariffs

- ✓ April 5 : 10% for all countries til 7/9 ARRIVALS
- ✓ May 14: China 10% til 8/12 ARRIVALS (deal done)
- ✓ Pending individual country deals (deal w/UK only)



## Auto / Parts 25% Tariff

- ✓ Effective April 3rd : 25% / threatened increase to 50%

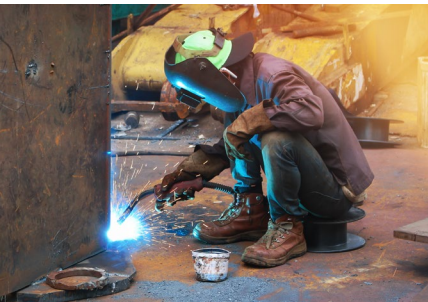
## Canada / Mexico 25% Tariff

- ✓ April 5: USMCA goods exempt
- ✓ 25% on rest, except energy at 10%
- ✓ Ongoing trade talks w/ both countries



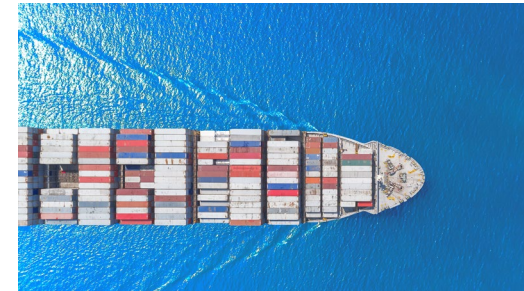
## Steel & Aluminum 50% Tariff

- ✓ June 4: increase to 50% on S&A cost only
- ✓ Non-S&A cost subject to reciprocal



## China IEEPA

- ✓ Effective March 4: 20%
- ✓ Unlikely to be reduced



## China Ships Fees

- ✓ Substantial fees added beginning October 14
- ✓ Carriers bill fwd to BCOs



## De Minimis Ends

- ✓ Effective May 2<sup>nd</sup>
- ✓ Unlikely to be reversed

# Tariff Stacking – Steel & Aluminum / China

## SAMPLE PRODUCT:

- ✓ Steel cost = \$1.00 X 95% duty
- ✓ Non-steel cost + overhead + labor + profit margin = \$0.50 X 55%
- ✓ Total product item value = \$1.50
- ✓ Total duty per piece = \$1.225

## Tariff Stacking: Steel & Aluminum



**95.0%**

**\*On steel value**



**55.0%**

**\*On non-steel value**

**+ 10% Reciprocal – May 14, 2025**

**+ 50% Steel & Aluminum – June 4, 2025**

**+ 10% IEEPA - March 4, 2025**

**+ 10% IEEPA - February 4, 2025**

**+ 25% Section 301 - 2018**

**0% Base Duty Rate**

**7318.15.4000 Machine screws from China**

**Non-Steel  
value only!**

**Steel value  
only!**



# The GOOD News: Exemptions!!!!!!!!!!!!!!

- ❑ Exemptions from reciprocal tariffs for steel & aluminum goods; 100% prior to 6/4
- ❑ Old & new tariff stacking exemptions. Back to 3/4
- ❑ CBP's systems weren't calculating duty properly and wrong HTS codes sometimes included
- ❑ 232 tariffs on non-steel and aluminum costs after June 4 change
- ❑ USMCA-qualified exemption from Canada / Mexico duties

## *General Categories of Opportunities*

*Exemptions – there are lots of them!*

*And this was super confusing.*

*No broker's software was prepared for these tariffs.*

*Most were / are managing manually at least some of the time.*

*Missed exemptions are understandable & likely.*

*Use ACE reports / broker reports to audit for refunds!*

*BGI can help! Leverage their resources for opportunities.*



- ❑ Annex II reciprocal exemptions & semicon / electronics reciprocal exemptions RETROACTIVE to 4/5
- ❑ Reductions to tariff rates on various dates
- ❑ Steel and aluminum tariffs overpaid on non-steel and aluminum derivative costs prior to June 4 change
- ❑ ETD exemptions for tariffs. Check against 12:01 am EST ATD
- ❑ Section 301 exclusions
- ❑ US steel, US content & Chapter 98 goods

# Steel & Aluminum Best Practices

1. Make sure you are not over-declaring costs or overpaying duty
2. Confirm the HTS code for your product is accurate. This is the only way you'll know whether the new steel and aluminum duties should apply to your goods. **See our handy steel and aluminum tariff lookup tool to simplify the process!**
3. Confirm the country of origin of the steel or aluminum: the country of smelt **AND** cast for aluminum or melt and pour for steel
4. Confirm whether your products contain steel or aluminum. If your product is on the aluminum derivative list, for example, but does not contain any aluminum, the duties do not apply to your product.
5. **Calculate the cost of the steel & aluminum components in your products. See our handy calculator!**
6. Gather and save data to back up your claims, including value calculations, certificates to prove origin, etc.
7. Notify your suppliers to include these new data points on all commercial invoices. **See our commercial invoice template!**
8. Share the data you gather with your brokers to ensure compliant entry filing and spot check entries for accuracy
9. The broker can file a post summary correction to fix errors and claim back overpaid duty
10. Be ready for additional HTS codes to be added to the derivatives list. A process is in place for HTS codes to be added - +500 HTS codes under consideration. Smart bet to gather data for all products that contain potential 232 components

# CIT Ruled IEEPA Tariffs Unlawful

*If the ruling eventually stands, which tariff actions are impacted?*

- ▣ **De Minimis Ban on China**
- ▣ **Canada and Mexico 25%**
  - ▣ **China 20% IEEPA**
  - ▣ **Reciprocal tariffs**

*If the ruling eventually stands, which tariff actions are **not** impacted?*

- ▣ **Section 301 duties (7.5% and 25%)**
- ▣ **Section 232 duties (like Steel and Aluminum tariff)**

*What can you do today to ensure duty refunds if ruling stands?*

- ✓ **Monitor liquidations & file protests.** (get help if you don't know how)

*What's next?*

- ✓ **Mid-August appeal ruling. Then likely heard at the Supreme Court.**

# Dates to Watch



**June 23** – new HTS codes added to steel and aluminum list (appliances and wire rack)



**July 9** – reciprocal reduction to 10% ends. Administration says date will likely be extended for 18 countries in negotiations, but rest will revert to original, higher rate.



**August 12** – China reciprocal reduction to 10% ends, but deal framework now in place.



**Mid-August** – appeals ruling on CIT ruling that declared IEEPA tariffs unlawful



**August 31** – Section 301 exclusions expire



**October 14** – China Ships fees begin



**“Soon”** – addition of HTS codes to steel and Aluminum list / finalizing deals with the UK and China / finalizing reciprocal tariff deals with the 18 target countries and assigning reciprocal rates to all others



# 2025 Tariffs – What's Next?

- ✓ **Expect tariffs on more steel and aluminum products**
- ✓ **Almost 800 AD/CVD cases in place now. Almost 100 investigations under way and CBP anticipates this number will continue to climb. Expect AD/CVD cases to expand and have a plan for managing.**
- ✓ **Deal making ongoing now on reciprocal tariffs** – confusing horizon with little information available. Some deals hint at elimination or lowering of steel/aluminum tariffs baked into deals (e.g. Mexico and the UK). 18 country list not published.
- ✓ **Section 232 tariffs on copper, lumber, paper, trucks, aircraft, critical minerals, pharma & semiconductors**
- ✓ **Doubling of auto tariffs**
- ✓ **Additional global retaliatory duties on US exports depending on result of reciprocal “deals”**
- ✓ **Circumvention concerns may drive additional tariffs on Chinese companies operating in other countries**
- ✓ **Fighting Trade Cheats Act & similar legislation:** tough penalties and import bans on trade compliance violators
- ✓ **Mid-august appeals ruling on CIT ruling IEEPA unlawful:** likely will eventually go to the Supreme Court

# What can I do to keep balance in my supply chain?



1. ***Form a strategic relationship with your broker***
2. ***Check your bond!*** May become more difficult to secure / application process challenging
3. ***Engage trusted advisors:*** fact check, get intel on strategies others are leveraging, use their tools to audit data
4. ***Vendor Compliance:*** require suppliers to certify origins, steel & aluminum values, component sourcing, etc.
5. ***Move Slowly:*** limit heavy investment in any single-source. Measure logistics costs & lead time for new source locations
6. ***Stay Compliant:*** CBP & DHS will strictly enforce compliance & recordkeeping; expect increased scrutiny & penalties
7. ***Optimize Transportation:*** save where you can; ensure your international and domestic transportation is optimized
8. ***Get your arms around systems and data:*** get on ACE, map the supply chain, audit broker data for savings
9. ***Pursue all drawback opportunities*** –limited with respect to some of the new tariffs, but don't leave \$\$\$ on the table!
10. ***Explore bonded warehousing, FTZ's, better foreign to foreign routings, First Sale, tariff and origin engineering***

Visit [www.bgiworldwide.com](http://www.bgiworldwide.com) to learn more about our end-to-end supply chain solutions.

# Need support as you navigate the new tariffs?

**Call us!  
BGI Can Help.**

**[kkenney@k2tradesolutions.com](mailto:kkenney@k2tradesolutions.com)**

Disclaimer: The information contained in this document is provided for general informational purposes only and does not constitute legal or customs advice. While every effort has been made to ensure the accuracy of the information provided, it is not intended to substitute for professional advice regarding customs regulations, classifications, duties, or compliance. Importers are strongly advised to consult with a qualified customs broker or legal advisor for guidance specific to their situation.



*Experience the difference...*