

COMPLIANCE ADVISORY

2 JUNE 2026

Section 232 Tariff Updates
(Effective June 8, 2026 –
December 31, 2027)

KWE
Global Logistics Partner

On June 1, President Trump issued a proclamation [Further Adjusting the Tariff Regimes for Imports of Aluminum, Steel, and Copper into the United States – The White House](#) further amending the Section 232 tariffs on steel, aluminum, and copper.

Covered Products

The proclamation revises the April 2026 framework as follows:

- Reduces the tariff rate from 25% to 15% for certain agricultural equipment (e.g., combines and harvesters) and specified HVAC systems and components primarily for residential use.
- Extends the 15% preferential rate to mobile industrial equipment (e.g., bulldozers and forklifts) when imported from countries eligible under U.S. trade agreements.
- Adds aluminum lithographic plates and steel racks to the list of derivative products subject to a 25% tariff.

U.S. Content Preferential Rate

The minimum U.S. content threshold for a reduced tariff rate is lowered from 95% to 85% for products manufactured abroad using U.S.-melted and poured steel or U.S.-smelted and cast aluminum or copper.



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USMCA Treatment

For qualifying goods from Canada and Mexico under USMCA:

- The 25% tariff applies only to the non-U.S. content (total value minus U.S.-origin components).
- However, the effective tariff rate will not be less than 15%.

Proposed Section 301 Tariff on Imports from Brazil

The Office of the U.S. Trade Representative (USTR) has proposed an additional 25% tariff on imports from Brazil following a Section 301 determination covering Brazil's practices related to digital trade, electronic payment services, preferential tariffs, anti-corruption enforcement, intellectual property protection, ethanol market access, and illegal deforestation.

Scope of Tariff

The proposed tariff would apply to all goods of Brazil, with the following exclusions:

- Informational materials, donations, and accompanied baggage
- All articles and parts already subject to Section 232 tariffs
- A broad list of specified products in the annex, including:
 - Raw materials where tariffs could impact domestic supply availability
 - Products that could cause broader economic disruption
 - Goods not sufficiently produced in the U.S. or available from alternative sources
 - Articles where the tariff is unlikely to meaningfully address the identified practices

Process and Timeline

- Comments due: July 1
- Hearing date: July 6
- Requests to appear at hearing due: June 22

Additional Considerations

Brazil is also under a separate Section 301 investigation regarding its alleged failure to prohibit and effectively enforce restrictions on imports of goods produced with forced labor.

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