

CUSTOMER ADVISORY

USA Tariff Update - Canada & Mexico
7 March 2025



USA Tariff Update – Canada & Mexico

Key Points:

- **Effective March 7, 2025:** Goods qualifying under the United States-Mexico-Canada Agreement (USMCA) imported to the United States from Mexico and Canada are **exempt** from additional duties imposed on March 4, 2025.
- **New HTSUS classifications:**
 - Mexico: 9903.01.04
 - Canada: 9903.01.14
- **Duties on commodity potash:**
 - USMCA-qualifying potash from Mexico and Canada is exempt.
 - New HTSUS codes:
 - Mexico: 9903.01.05
 - Canada: 9903.01.15
 - Non-qualifying potash is subject to a 10% duty (instead of 25%).
 - New HTSUS codes:
 - Mexico: 9903.01.01
 - Canada: 9903.01.10
- **The exemption is NOT retroactive:** Goods imported between March 4–6, 2025 remain subject to tariffs.



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On March 6th, President Trump issued an Executive Order, "[Amendment to Duties to Address the Situation at the Southern Border](#)". Effective on or after 12:01 a.m. (EST) on March 7, 2025, goods entered for consumption or withdrawn from a warehouse for consumption that qualify for USMCA **are exempt** from the additional duty rates implemented on March 4, 2025, under Harmonized Tariff Schedule of the United States (HTSUS) 9903.01.01. No end date has been specified in the [Federal Register](#) notice. The new HTSUS classification for qualifying products from Mexico is 9903.01.04.

Likewise, the Executive Order "[Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border](#)" was also issued on March 6th. Effective on or after 12:01 a.m. (EST) on March 7, 2025, goods entered for consumption or withdrawn from a warehouse for consumption that qualify for USMCA **are exempt** from the additional duty rates implemented on March 4, 2025, under HTSUS 9903.01.01. No end date has been specified in the [Federal Register](#) notice. The new HTSUS classification for qualifying products from Canada is 9903.01.14.

As a result, goods entered for consumption or withdrawn from a warehouse for consumption that qualify for USMCA are exempt from the additional duty rates implemented on March 4, 2025, under HTSUS 9903.01.01. Any Mexican or Canadian-origin goods that qualify for duty-free entry under USMCA will NOT be subject to the additional 25% duties.

Potash-Specific Provisions

- Effective on or after 12:01 a.m. (EST) on March 7, 2025:
 - **Potash from Mexico:** If it qualifies for USMCA, it is exempt from the additional duty rates implemented on March 4, 2025. If it does not qualify for USMCA, it will be subject to a 10% duty (instead of the 25% under HTSUS 9903.01.01). The new HTSUS classification for non-qualifying potash is 9903.01.05.
 - **Potash from Canada:** If it qualifies for USMCA, it is exempt from the additional duty rates implemented on March 4, 2025. If it does not qualify for USMCA, it will be subject to a 10% duty (instead of the 25% under HTSUS 9903.01.10). The new HTSUS classification for non-qualifying potash is 9903.01.15.

Note: The exemption is NOT retroactive. Goods imported between March 4–6, 2025 remain subject to tariffs.

For consultation services or assistance with compliance, please contact:
customs_compliance_group@am.kwe.com



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