

**RECIPROCAL TARIFFS ON GOODS FROM CHINA, EFFECTIVE APRIL 10, 2025** 

As announced late last week, reciprocal tariffs on goods from China, Macau, and Hong Kong have now been confirmed via <u>Executive Order</u> issued on April 9, 2025, by the White House. This situation has further escalated. According to the <u>Hong Kong Free Press</u>, the Chinese Ministry of Finance announced on April 9, 2025, that it would impose tariffs of 84% on U.S.-origin goods, up from the 34% previously announced.

In recognition of the People's Republic of China (PRC)'s statement that it would retaliate further against the United States in response to <u>Executive Order 14257</u>, issued on April 2, 2025, as of this writing, the Harmonized Tariff Schedule of the United States (HTSUS) has been modified as follows:

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on April 10, 2025: (a) Heading 9903.01.63 of the HTSUS shall be amended by deleting "84%" each place that it appears and by inserting "125%" in lieu thereof; and (b) Subdivision (v)(xiii)(10) of U.S. note 2 to subchapter III of chapter 99 of the HTSUS shall be amended by deleting "84%", and inserting "125%" in lieu thereof.

Furthermore, the ad valorem rate of duty set forth in section 2(c)(a) of Executive Order 14256 for De Minimis shipments has been increased from 30 percent to 90 percent. The per postal item containing goods duty in section 2(c)(ii) of Executive Order 14256 that is in effect on or after 12:01 a.m. eastern daylight time on May 2, 2025, and before 12:01 a.m. eastern daylight time on June 1,



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2025, has been increased from 75 dollars to 100 dollars. The per postal item containing goods duty in section 2(c)(ii) of Executive Order 14256 that is in effect on or after 12:01 a.m. eastern daylight time on June 1, 2025, has been increased from 150 dollars to 200 dollars.

This update was also posted via the U.S. Customs and Border Protection bulletin, <u>Cargo Systems</u> <u>Messaging Service (CSMS) #64701128</u>, on April 9, 2025, at 10:57 p.m. EDT. It should be noted that the 125% rate does not include the Section 301 duty rate of an additional 25% that was already in place.

Meanwhile, President Trump has placed <u>a three-month pause</u> on the reciprocal tariffs for all other countries, except for the universal increase of 10% that would still exist.

In further developments around the globe, the European Union (EU) has paused its first set of <u>retaliatory</u> <u>measures</u> against the 20% tariffs on nearly all EU imports into the United States. Duties were originally scheduled to begin on April 15, 2025, and would have included products such as poultry, grains, clothing, and metals. A final list of impacted products has not yet been released, as the "<u>wait and watch</u>" continues...

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