

Additional U.S. Import Duties on Goods from Mexico, Canada, China, and Hong Kong

Shortly before 5:00pm on March 3, 2025, U.S. President Trump issued <u>Executive Order 14200</u>, **increasing tariffs on imports from China and Hong Kong to 20%**, up from the previous 10%. In accordance with this order, U.S. Customs & Border Protection (CBP) has implemented a new Chapter 99 HTSUS number for these goods. The new duty rate applies to products of China and Hong Kong entered for consumption on or after March 4, 2025. CBP has clarified that this is not a retroactive increase.

Additionally, as directed by Executive Orders issued on March 2, 2025, imports from <u>Canada</u> and <u>Mexico</u> will also be subject to increased duties, effective March 4, 2025:

Canada (Under Executive Order: Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border):

Goods that are the <u>product of Canada</u> entered for consumption or withdrawn from warehouse for consumption will be subject to an additional **25% ad valorem duty** under **HTSUS classification 9903.01.10**, except for items classified under **9903.01.11**, **9903.01.12**, and **9903.01.13**, and personal-use items in accompanied baggage.

• Mexico (Under Executive Order: Amendment to Duties to Address the Situation at Our Southern Border):

Goods that are the <u>product of Mexico</u> entered for consumption or withdrawn from warehouse for consumption will be subject to an additional **25% ad valorem duty** under **HTSUS classification 9903.01.01**, except for items classified under **9903.01.02** and **9903.01.03**, and personal-use items in accompanied baggage.



DISCLAIMER: The subject matter of this announcement is provided for informational purposes only. Any and all data is obtained from internal and external sources believed to be true and accurate at the time of publication. Forward-looking statements derived from such data should not be taken as guarantees of future performance, nor should they be relied upon as fact. KWE is not responsible or liable for any inaccurate information contained herein, and under no obligation to update forward looking statements except as required by applicable security laws.

Evaluation of tariff barriers by the **European Union** are in progress and a ratcheting of tariffs could ensue if no tariff remedies are put into place. Under evaluation are non-tariff barriers as well, such as financial interventions, currency or labor manipulations, etc. This will be outlined in a report to follow outlined by the Treasury Secretary.

For consultation services and assistance in complying with this program, you may also reach out to us at: <u>customs compliance group@am.kwe.com</u>



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