



LIBERATION DAY RECIPROCAL TARIFFS & SECTION 232 AUTOMOBILE TARIFFS (April 2, 2025)

Reciprocal Tariffs

Today, at a White House Rose Garden ceremony, President Trump announced the imposition of reciprocal tariffs on imports from all countries. President Trump announced that there will be a 10% reciprocal tariff on all countries that do not have a higher specific reciprocal tariff. Some of the most prominent reciprocal tariff rates include.

- China – 34%
- EU – 20%
- Vietnam – 46%
- Taiwan – 32%
- Japan – 24%
- India – 26%
- Switzerland – 31%
- Singapore – 10%
- United Kingdom – 10%

The [Executive Order](#) released later by the White House includes more details. The reciprocal tariffs are based on President Trump declaring a national emergency under International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)(IEEPA) and the National Emergencies Act (50 U.S.C. 1601 et seq.)(NEA). There are some important differences in the Executive Order from President Trump's Rose Garden speech:

- All articles imported into the United States are subject to the 10% additional reciprocal tariffs beginning 12:01am EDT on Saturday, April 5, with an exception for goods loaded and in-transit before that time.
- Increased reciprocal tariffs rates above 10% on 57 individual trading partners identified in [Annex I](#) will go into effect at 12:01am EDT on Wednesday, April 9, with an exception for goods loaded and in-transit before that time. The higher reciprocal tariff rates range from 11% (Congo) to 49% (Cambodia).
- The Executive Order excepts: (1) steel and aluminum articles subject to the Section 232 additional tariffs; (2) automobiles and automobile parts subject to the Section 232 additional tariffs; (3) other listed products, including copper, pharmaceuticals, semiconductors, lumber articles, certain critical minerals, and energy and energy products; (4) all products from a country already subject to Column 2 Normal Trade Relations duty rates (e.g., Russia); and (5) all articles that become subject to duties under future Section 232 actions. [Annex II](#) provides a list of 1,039 tariff provisions not subject to these reciprocal tariffs.
- The reciprocal tariffs are in addition to any other duties and trade remedies, with some exceptions. Products of Canada and Mexico under the USMCA Rules of Origin in HTSUS General Note 11 remain eligible to enter the United States without the existing IEEPA tariffs, but non-USMCA qualified products of Canada and Mexico are subject to the separate IEEPA 25% additional tariffs. If the Canada or Mexico IEEPA additional tariffs are terminated, then non-USMCA qualified Canadian or Mexican articles shall be subject to 12% reciprocal tariffs, while

USMCA-qualified Canada or Mexico products are not subject to the reciprocal tariffs.

- The reciprocal tariffs only apply to the non-U.S. content of a subject article, so long as at least 20% of the value of the subject article is U.S. originating. U.S. origin is to be determined based on the “substantial transformation” standard.
- Subject articles admitted into foreign-trade zones (FTZs) after 12:01am EDT on April 9 must be admitted in Privileged Foreign (PF) status, even though reciprocal tariffs start April 5 for all countries. The Executive Order includes no specific direction on the treatment of FTZ on-hand inventory.
- Section 321 *de minimis* treatment remains available until the Commerce Secretary notifies the President that adequate systems are in place to process and collect duty revenue.
- The scope of these reciprocal tariffs may be modified if a country imposes retaliatory import duties or other measures on U.S. exports.

A [Fact Sheet](#) was published which provides additional explanatory information.

Section 232 Additional Tariffs on Automobiles and Automobile Parts

President Trump announced the imposition of the previously-announced Section 232 25% additional tariffs on automobiles and automobile parts, effective 12:01am EDT on April 3. As anticipated in our March 27, 2025 [What's New](#) update, the pre-publication [draft](#) of Presidential Proclamation 10908 was finally posted to the Federal Register website and is scheduled to be published on April 3. It includes Annex I with lists of HTSUS classifications of automobiles and automobile parts that are subject to the additional Section 232 tariffs, as well as the new HTSUS classifications that are to be declared on Customs entries. It also includes exemptions from the additional tariffs for: (1) goods entered under HTSUS Chapter 98 tariff classifications; (2) the U.S. content in USMCA-eligible passenger vehicles and light trucks; (3) USMCA-eligible automobile parts that are not in knock-down kits or parts compilations; and (4) parts in covered HTSUS classifications that are not parts of passenger vehicles and light trucks. The notice also indicates that the Section 232 automobile parts tariffs apply to goods entered for consumption or withdrawn from warehouse on or after 12:01 am EDT May 3, 2025. U.S. Customs has already issued CSMS [#64624801](#) on the automobile tariffs.

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We expect more details to be provided by the agencies and by Customs administrative messages. Based on President Trump's prior comments about imposing specific “sectoral” tariffs on some of the products exempted from the reciprocal tariffs (i.e., copper, pharmaceuticals, semiconductors, and lumber) and the existence of current investigations into their trade, it may be expected that they were exempted from the reciprocal tariffs because they will be subject to separate additional tariffs at a later date.

We will provide another update as more information becomes available. In the meantime, please contact [Marshall Miller](#), [Brian Murphy](#), [Sean Murray](#), or [David Ostheimer](#) with questions.

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