



CHINA IEEPA RECIPROCAL TARIFF RATE REDUCTION TO 10% (May 12, 2025)

The United States and China have issued a [Joint Statement](#) agreeing to temporarily reduce certain additional tariff rates between the two countries by May 14, 2025. The United States has committed to reducing the 125% reciprocal tariff rate imposed on products of China (including Hong Kong and Macau) to the “baseline” 10% reciprocal tariff rate which it currently applies to all other countries. The reductions are scheduled to take effect by May 14 for 90 days to allow for additional trade discussions.

U.S. Actions

The White House [Fact Sheet](#) confirms that while the reciprocal tariff rate on China is being reduced to 10%, other applicable duty rates (i.e., China Section 301 and Section 232 duties, China IEEPA fentanyl tariffs (currently 20%), and Most Favored Nation (Normal Trade Relations) tariff rates are not affected. As a result, China products will still carry a total effective tariff rate of at least 30%, based on the 10% reciprocal tariffs and 20% IEEPA China fentanyl tariffs.

China Actions

For its part, China will temporarily reduce from 125% to 10% the duties on U.S. products imposed by the Announcements of the Customs Tariff Commission of the State Council Nos. 4, 5 and [6](#) of 2025. China also agreed “to suspend or remove the non-tariff countermeasures” taken against the United States since April 2, 2025.

Once these steps have been taken, both parties agree to establish a mechanism to continue discussions.

We expect that more specific guidance will be issued on or before May 14. In the meantime, for incoming shipments of China, Hong Kong, or Macau products, clients are urged to consider delaying the filing of CBPF 3461 Cargo Release entries until the reduced China 10% reciprocal tariff rate takes effect. Similarly, foreign-trade zone (“FTZ”) clients should consider a pause in receiving incoming China products into their FTZ inventory control and recordkeeping system (ICRS) and delaying FTZ admissions and concurrences for China products until after the effective date of the reduced 10% China reciprocal tariff rate.

It is important to remember that the United States and China have only committed to these duty reductions and trade actions for 90 days. It is possible that the existing duty rates will snap back at the end of the 90-day period unless a longer-term agreement is reached.

Please contact [Marshall Miller](#), [Brian Murphy](#), [Sean Murray](#), [David Ostheimer](#), or [Linda King](#) with questions.

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