



## IEEPA RECIPROCAL TARIFFS

• On September 5, President Trump issued an [Executive Order](#) (EO) that modified the products subject to exemptions from the Reciprocal Tariffs imposed under the International Emergency Economic Powers Act (IEEPA). The EO [added](#) 39 HTSUS classifications and [removed](#) 8 HTSUS classifications, effective September 8. The added HTSUS classifications include certain ores, chemicals, pharmaceuticals, gold, precious metal articles, and light-emitting diodes (LEDs).

• The EO includes a delegation of authority to the Commerce Secretary, Department of Homeland Security Secretary, and U.S. Trade Representative (USTR) that allows them to conclude framework and final agreements with other countries. The EO also includes a lengthy annex of tariff classifications (the Potential Tariff Adjustments for Aligned Partners (PTAAP) Annex) whose duty rates may be negotiated down to only the Normal Trade Relations (NTR) rate. The PTAAP Annex includes certain aircraft and aircraft parts, generic pharmaceuticals and ingredients, natural resources and derivative products, and agricultural products.

• See our September 6 [What's New](#) for details. 90 Fed. Reg. [43737](#) (Sept. 10, 2025).

## US-JAPAN AGREEMENT

• On September 4, the White House issued an Executive Order ([EO](#)) implementing the U.S.-Japan Trade Agreement. The EO lowers the Reciprocal Tariffs applicable to Japanese-origin goods and adopts the 15% tariff baseline that previously appeared in the U.S.-European Union (EU) agreement. Under this baseline tariff methodology, if the existing NTR tariff is 15% or above, then the Reciprocal Rate is 0%, but if the existing NTR tariff is below 15%, then the Reciprocal Rate is 0% - 15% so the sum of the two tariffs equals 15%. 90 Fed. Reg. [43535](#) (Sept. 9, 2025).

• The EO specifies that these tariffs apply retroactively to products of Japan imported from August 7. CBP has issued guidance that Post Summary Corrections (PSCs) and Protests are not to be filed for refunds until CBP issues instructions. CSMS [#66146676](#) (Sept. 5, 2025).

• A similar 15% baseline tariff rate will apply to Section 232 tariffs on Japanese automobiles and auto parts.

• For products of Japan under the WTO Civil Aircraft Agreement, the IEEPA

## 2025 FIRM SEMINARS

We will be offering the following Fall training seminars in-person at our Kansas City office:

FTZ 101 – October 14  
FTZ 201 – October 15

Import/Export 101 – November 5  
Import/Export 201 – November 6

These seminars will include sessions on the additional tariffs. More detailed information is posted on our [website](#). Please contact [Shari Rees](#) with questions. Seminars are offered to Miller & Company clients only.

## TRADE FRAUD TASK FORCE

The Department of Justice (DOJ) has [launched](#) a Trade Fraud Task Force that will work with the Department of Homeland Security (DHS) to pursue importers seeking to avoid tariffs. The task force will work to bring civil and criminal penalties.

## US-EU AGREEMENT

• On August 21, the [United States](#) and European Union ([EU](#)) issued a joint statement announcing a framework for a trade agreement. The EU will eliminate tariffs on all U.S. industrial goods and expand market access for various U.S. agricultural and seafood products. The U.S. will apply a baseline 15% tariff comprised of the NTR and Reciprocal Tariff to EU products, but the U.S. committed to applying only the NTR tariff to unavailable natural resources (such as cork and select minerals), aircraft and aircraft parts, and generic pharmaceuticals and their ingredients. The U.S. and EU have also agreed to consider applying only the NTR tariff to other sectors and products. The U.S. is to "promptly ensure" that the NTR tariff and Section 232 tariffs on pharmaceuticals, semiconductors, and lumber do not exceed 15%. The same 15% NTR and Section 232 tariff baseline rate is to apply to automobiles and auto parts. The U.S. and EU committed to negotiating rules of origin to ensure that the benefits of their agreement accrue to the U.S. and EU. The framework also includes commitments to address non-tariff barriers related to automobiles, agricultural products, and other sectors.

• On August 27, the EU [proposed](#) legislative measures to implement the framework agreement. The EU press release states that the duty reduction on autos and auto parts is expected to be

## 232 STEEL & ALUMINUM

• Effective August 18, the Commerce Department added 407 Harmonized Tariff Schedule of the United States (HTSUS) classifications to the "derivative products" subject to the 50% Section 232 steel and aluminum tariffs. This very significant expansion of the Section 232 tariffs includes products as "derivative" as whipped cream and exercise equipment. Clients should be reviewing the subject HTSUS classifications and managing their entries.

• While Section 232 steel and aluminum tariffs apply only to the steel and aluminum content, if known, the non-steel and non-aluminum content remains subject to Reciprocal Tariffs and other applicable tariffs. Calculating and supporting the values of metal and non-metal content is creating many issues.

• See our August 15 [What's New](#) for more details. Contact [Marshall Miller](#), [Brian Murphy](#), or [Sean Murray](#) with questions. 90 Fed. Reg. [40326](#) (Aug. 19, 2025); CSMS [#65936570](#) (steel); CSMS [#65936615](#) (aluminum) (Aug. 15, 2025).

## IEEPA TARIFF LITIGATION

• On September 9, the U.S. Supreme Court [granted](#) writs of certiorari, agreeing to hear the consolidated Learning Resources v. U.S. and U.S. v. VOS Selections cases where the lower courts had ruled that the Reciprocal Tariffs and Canada, Mexico, and the China Fentanyl Tariffs exceeded the President's legal authority under IEEPA. The Supreme Court will hear the consolidated cases on an expedited basis, with briefs due in September and October and oral arguments scheduled for the first week of November.

• The IEEPA tariffs are still being collected while the cases are under appeal. Even if the Supreme Court agrees with the lower courts, any refund process is still many months away.

## CHINA 301 EXCLUSIONS

The U.S. Trade Representative (USTR) has [extended](#) through November 29 the 178 China Section 301 product exclusions which were due to expire September 1. 90 Fed. Reg. [42500](#) (Sept. 2, 2025).

## CHINA VEU UPDATE

On August 29, BIS issued a Final Rule updating the Validated End User (VEU) program, effective December 31, to remove Intel, Samsung, and SK Hynix semiconductor facilities in China from the list of VEU. Their suppliers will need to obtain licenses before exporting,

reciprocal tariffs and Section 232 steel, aluminum, and copper tariffs no longer apply.

- The auto, auto parts, and aircraft tariff reductions await implementation.
- The EO states that Japan has agreed to invest \$550 billion in the United States. President Trump claims that he gets to [select](#) the projects. The investment details will be interesting to follow.
- See our September 6 [What's New](#) for additional details.
- Contact [Marshall Miller](#), [Brian Murphy](#), or [Sean Murray](#) with questions.

#### DE MINIMIS UPDATE

- Effective August 29, goods entering the United States from all countries in shipments valued under \$800 are no longer eligible for “de minimis” Section 321 entry unless they qualify under 50 U.S.C. § 1702(b). Importers must now file either a formal or informal entry and pay the applicable duties. CSMS [#66065494](#) (Aug. 28, 2025).
- CBP has issued detailed [guidance](#) on how international mail shipments will be processed. CSMS [#65934463](#) (Aug. 15, 2025).
- Duties on international mail shipments must be paid by the international mail carrier or a qualified agent. CBP has issued a list of parties qualified to collect and pay these duties. CSMS [#66033571](#) (Aug. 26, 2025); CSMS [#66062800](#) (Aug. 28, 2025).

#### INDIA IEEPA TARIFFS

The 25% IEEPA duty on India-origin goods in retaliation for India importing Russian oil went into effect on August 27, except for goods in ocean transit before August 27 that are entered before September 17. This 25% duty does not apply to goods already subject to Section 232 duties (steel, aluminum, copper, autos, etc.). This duty also does not apply to goods exempted from duty under Annex II of the Reciprocal Tariffs. Our August 7 [What's New](#) provides additional detail. 90 [Fed. Reg. 38701](#) (Aug. 11, 2025).

#### SYRIA BIS CONTROLS

On September 2, the Bureau of Industry and Security (BIS) published a Final Rule that revised the export controls on Syria in the Export Administration Regulations (EAR) to be consistent with Executive Order (EO) 14312, which removed and relaxed sanctions and export controls on Syria. The Final Rule changes license application review policies, allows the use of more license exceptions, and adds new license exception Syria Peace and Prosperity (SPP). Contact [Sean Murray](#) or [Chuck Ballard](#) with questions. 90 [Fed. Reg. 42315](#) (Sept. 2, 2025).

#### WORKS TRUCKS

CBP has proposed the revocation of two rulings on the classification of “Micro Trucks” as “works trucks” of Heading 8709 and their classification in Heading 8704 as motor vehicles for the transport of goods. Comments are due by October 3. 59 [Cust. B. & Dec. 14](#) (Sept. 3, 2025).

#### USMCA REGULATIONS

CBP has issued correcting amendments to the Customs Regulations that principally consist of replacing various references to “NAFTA” with “USMCA.”

retroactively effective as of August 1, while the NTR tariff rates on natural resources, aircraft and aircraft parts, and generic pharmaceuticals and their ingredients are to apply from September 1.

- Contact [Marshall Miller](#), [Brian Murphy](#), or [Sean Murray](#) with questions.

#### FTZ SYSTEMS ISSUES

Foreign-Trade Zone (FTZ) Operators continue to experience challenges with FTZ Inventory Control and Recordkeeping System (ICRS) software, particularly in processing new trade remedy tariff classifications and FIFO, resulting in late filings of FTZ Admissions, Customs Entries, and In-Bond Entries. FTZ Operators must remain diligent in ensuring CBP filings are timely and accurate. Liquidated damages are being assessed for “no files” and late filings. Contact [Marshall Miller](#) with questions.

#### FTZ EMPLOYEE LIST

- FTZ Operators are reminded that the “key employee list” requested by CBP may include all employees working in the FTZ, with their names, home addresses, Social Security Numbers, and dates/places of birth. This list must be provided within 30 days of request, so Operators should ensure their records are current. “Place of birth” is often missing from HR files and must be collected.
- CBP has begun assessing liquidated damages for late or incomplete responses, and we have been working with clients to file Petitions for Relief. Contact [Marshall Miller](#) or [Linda King](#) with questions.

#### FTZ COMPLIANCE REVIEWS

There appears to be an increase in local CBP FTZ compliance reviews. FTZ Operators should ensure that all documentation, including historic core FTZ Board and CBP documents and the FTZ Operations Manual, are properly maintained, up to date, and readily available for CBP review.

#### FDA ENTRY REVIEW

The Food and Drug Administration (FDA) has [issued](#) a Trade Communications Guide on the Nationalized Entry Review (NER) [program](#) that it launched on August 4. The guide provides contacts, protocols, and guidance on handling time-sensitive shipments. Contact [Sean Murray](#) with questions.

#### CBO ECONOMIC REPORT

On September 12, the Congressional Budget Office (CBO) published a [report](#) on the economy concluding that the new tariffs have reduced U.S. economic output. Businesses facing higher costs will pass on some of those costs to consumers, putting pressure on inflation. CBO expects that continued U.S. trade policy uncertainty will delay investments and reduce the total investment through 2027. U.S. imports are expected to fall by 3.7% in 2025, with an average decrease of 0.2% for 2026-2028. The tariffs are projected to make some U.S. exports more costly and less competitive because they raise the costs of imported inputs.

#### ENTRY REJECTS

re-exporting, or transferring (in-country) licensable items to them. BIS estimates this change will result in 1,000 additional license applications. Contact [Sean Murray](#) with questions. 90 [Fed. Reg. 42321](#) (Sept. 2, 2025).

#### FORCED LABOR

- On August 19, the Forced Labor [Enforcement Task Force](#) published its [annual report](#) and [update](#) to the Uyghur Forced Labor Prevention Act (UFLPA). This report highlights newly designated high-priority sectors and 78 entities added to the UFLPA Entity List, bringing the total to 144 Chinese entities whose goods are presumptively prohibited from entering the U.S.
- As of August 1, CBP has [detained](#) more than 16,700 shipments, with a total declared value of approximately \$3.7 billion under the UFLPA.

#### FALSE CLAIMS ACT

The U.S. Court of Appeals for the Ninth Circuit has [affirmed](#) a jury verdict assessing \$26 million damages under the False Claims Act against a pipe fitting importer arising from a failure to pay antidumping duties. The action was brought by a whistleblower. [Island Indus. v. Sigma Corp.](#), No. 22-55063 (9th Cir. Aug. 21, 2025).

#### SECTION 301 BRAZIL

On September 3, the USTR held a [hearing](#) in its Section 301 investigation into Brazil's unfair trade acts, policies, and practices. USTR has posted a [transcript](#) of the hearing. Public comments can also be [reviewed](#).

#### USML UPDATES

On August 27, the Directorate of Defense Trade Controls (DDTC) issued a Final Rule and adopted an Interim Final Rule issued January 17 that updated the U.S. Munitions List (USML), effective September 15. The updates are at a technical level, but impact 14 USML Categories, so exporters are advised to review the changes and determine their impact. 90 [Fed. Reg. 41778](#) (Aug. 27, 2025).

#### SOFTWARE ORIGIN

CBP has issued a determination that the origin of the FLY server software application is the United States because the software build or compilation of source code into object code in the U.S. is a substantial transformation. 90 [Fed. Reg. 43195](#) (Sept. 8, 2025).

#### VIDEO DEVICE ORIGIN

CBP has issued a determination that the origin of the Neat Board Pro, a video conferencing device, is Taiwan. The device is made of materials and components from both China and Taiwan, with the finished product, including software integration, being produced in Taiwan. CBP determined this was a substantial transformation. 90 [Fed. Reg. 43193](#) (Sept. 8, 2025).

#### CHINA WTO ANNUAL REPORT

The USTR is seeking comments on China's compliance with its World Trade Organization (WTO) obligations. Comments are due by September 24. A public hearing will be held on October 7. 90 [Fed. Reg. 40136](#) (Aug. 18, 2025).

90 Fed. Reg. [43155](#) (Sept. 8, 2025).

#### CRITICAL MINERALS

The Department of the Interior (DOI) has published its draft 2025 List of Critical Materials. Comments are due by September 25. 90 Fed. Reg. [41591](#) (Aug. 26, 2025).

#### FURNITURE TARIFFS

On August 22, President Trump announced an investigation into furniture imports and said there will be higher tariffs on imported furniture. Formal details were not disclosed.

CBP has issued updated guidance on the resubmission timeframe for rejected Entry Summaries with trade remedy duties. The time limit for Customs to reject AD/CVD and trade remedy Entry Summaries is 60 days, which can be increased to 300 days with CBP supervisory approval. The trade community has 10 working days to respond to rejects. CSMS [#66200760](#) (Sept. 11, 2025).

#### ACE MANIFEST REJECTS

On September 27, CBP will deploy an enhancement that automatically rejects ACE Manifest filings with insufficient cargo descriptions, consignee information, and shipper information. CSMS [#66213957](#) (Sept. 12, 2025).

#### 232 WIND TURBINES

BIS has requested comments for its Section 232 National Security Investigation into imports of wind turbines and their parts. Comments were due in only two weeks by September 9. The comments received can be [reviewed](#). 90 Fed. Reg. [41380](#) (Aug. 25, 2025).

#### FTZ STATISTICS

#### FOREIGN-TRADE ZONES BOARD ACTIVITY AS 9/15/2025

		Approved
Zones		310
Subzones*		910
		Pending
Zones		3
Subzones		3

\*From Fed. Reg. Notices

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