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IRAN TARIFFS

President Trump announced on January 12 that 25% tariffs will be imposed, effective immediately, on goods imported from all countries that do business with Iran. However, no Executive Order has yet been issued, and no details have been provided.

232 SEMICONDUCTORS

President Trump issued a [Proclamation](#) on January 14 which assesses a 25% duty on "semiconductor articles" that are classified in three HTS subheadings and meet certain technical specifications, beginning January 15. There are exemptions for semiconductor articles used for U.S. data centers, repairs, R&D, consumer electronics, civil industrial uses, public-sector applications, and U.S. "startups." Products covered by this new Section 232 duty are not subject to certain other Section 232 duties or IEEPA tariffs. Covered products must be admitted into foreign-trade zones in Privileged Foreign (PF) status. Duty drawback is not allowed. The Commerce Secretary and USTR are to engage in negotiations on imported semiconductors, semiconductor manufacturing equipment, and their derivative products, and the President may impose more tariffs depending on the results of these negotiations. CSMS #[67400472](#) (Jan. 14, 2026).

301 CHINA SEMICONDUCTORS

The U.S. Trade Representative (USTR) has issued a Notice that it determined China's acts and policies related to the semiconductor industry are subject to action under Section 301. USTR is not imposing additional tariffs until June 23, 2027, at a rate still to be determined. The Section 301 action covers 18 Harmonized Tariff Schedule of the U.S. (HTSUS) 8-digit classifications, including certain Heading 2804 silicon, Heading 3828 doped chemicals, Heading 8541 transistors, thyristors, diodes (but not LEDs), photosensitive semiconductor devices, and parts (including LED parts), and Heading 8542 electronic integrated circuits and parts. 90 Fed. Reg. [60848](#) (Dec. 29, 2025).

2026 FIRM SEMINARS

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

FTZ 101 – March 10

FTZ 201 – March 11

Import/Export 101 – April 7

Import/Export 201 – April 8

More detailed information will be posted on our [website](#) in the near future. Please contact [Shari Rees](#) with questions. Seminars are offered to Miller & Company clients only.

FTZ ANNUAL REPORTS

Foreign-Trade Zone (FTZ) clients are reminded that Annual Reports are due on March 31, 2026. The preparation of Annual Reports is more nuanced than it may seem. The U.S. Foreign-Trade Zones Board wants all business activity – not just FTZ status merchandise – to be reported under the Total Value of Shipments. This means the total value of all outbound commercial invoices, which includes the value of foreign and domestic merchandise, plus labor, overhead, and profit. The FTZ Board is providing multiple webinar training [sessions](#) in January, February, and March for FTZ Operators and Grantees. Contact [Marshall Miller](#), [Linda King](#), [Amanda Ward](#), and [Bridget Beran](#) with questions or for assistance.

U.S.-TAIWAN DEAL

On January 15, the Commerce Department announced a U.S. trade deal with Taiwan. A [Fact Sheet](#) issued by Commerce says the U.S. Reciprocal Tariff rate for Taiwanese goods will be no more than 15% and Section 232 duties on Taiwanese auto parts, timber, lumber, and wood derivative products will be no more than 15%. No Reciprocal Tariffs will be applied to generic pharmaceuticals, their generic ingredients, aircraft parts, and unavailable natural resources. Details, including the effective date, have not yet been released. For more information, see our "What's New" [update](#).

232 CRITICAL MINERALS

IEEPA LITIGATION

On December 15, the U.S. Court of International Trade (CIT) [issued](#) an Opinion and Order denying a request to enjoin U.S. Customs and Border Protection (CBP) from liquidating Customs entries subject to the International Emergency Economic Powers Act (IEEPA) tariffs until there is a final Supreme Court decision in the [V.O.S. Selections, Inc. v. U.S.](#) case. The CIT recognized that the U.S. Government has taken the position (and later stipulated) that liquidation will not impact the availability of refunds. The CIT has also issued an [Administrative Order](#) that stays all new and unassigned cases raising IEEPA tariff claims. Contact [Brian Murphy](#) or [Sean Murray](#) with questions.

CBP ELECTRONIC REFUNDS

CBP has issued an Interim Final Rule providing that, effective February 6, it will issue almost all refunds electronically through ACH. Importers and designated third parties must enroll in the ACH Refund program and apply for an ACE Portal account to continue receiving refunds. Contact [Brenda Zeller](#) with questions. 91 Fed. Reg. [21](#) (Jan. 2, 2026); CSMS #[67305746](#) (Jan. 6, 2025).

ACE REPORTS

- There are currently 164 HTSUS Ch. 99 tariff classifications (122 of which are dutiable) related to IEEPA-based tariffs. Importers may run ACE reports to identify duties paid under these HTSUS classifications that may be subject to refund if the Supreme Court strikes down the IEEPA tariffs. Clients can contact [Brenda Zeller](#) to obtain a copy of this list.
- Due to increased CBP scrutiny of in-bond movement statuses, we encourage clients to better manage the movements and to regularly run the ACE Portal INBND-009 In-Bond Shipment Status Report. Contact [Brenda Zeller](#) for more details.

2025 DUTIES RECAP

Clients are encouraged to prepare reports on 2025 import data, particularly import values and tariffs paid by trade remedy program. This information is useful for confirming

CHIP CONTROLS RELAX

The Bureau of Industry and Security (BIS) has issued a [Final Rule](#) that changes its license review policy for the export of Nvidia H200 and equivalent advanced semiconductors from a presumption of denial to a case-by-case review for exports to China and Macau. 91 [Fed. Reg. 1684](#) (Jan. 15, 2026).

U.S.-SWISS TRADE DEAL

On December 18, the Commerce Department and USTR published a Notice that provides the HTSUS treatment resulting from the new U.S. framework agreement with Switzerland and Liechtenstein. This includes the baseline combination 15% most-favored-nation (MFN) and Reciprocal Tariff rate for products originating in Switzerland and Liechtenstein. There is special treatment of certain agricultural goods, natural resources, generic pharmaceuticals, and civil aircraft (and parts thereof). Duty treatment is retroactive to November 14 and refunds may be requested. The final agreement is still being negotiated and is expected to be finalized by March 31. 90 [Fed. Reg. 59281](#) (Dec. 18, 2025); CSMS #[67133044](#) (Dec. 17, 2025).

232 WOOD PRODUCTS

On December 31, President Trump issued Proclamation [11000](#), which postponed for one year planned Section 232 wood products tariff increases that were scheduled for January 1, 2026. Furniture tariffs had been scheduled to rise from 25% to 30%, while kitchen cabinets and vanities tariffs had been set to increase to 50%. The increases have been delayed to 2027. 91 [Fed. Reg. 1039](#) (Jan. 9, 2026).

FALSE CLAIMS ACT

A North Carolina distributor of tungsten carbide products has [agreed](#) to pay \$54 million to resolve a False Claims Act (FCA) whistleblower action alleging they knowingly and improperly failed to pay duties owed on Chinese tungsten carbide products used in the manufacture of cutting tools. The whistleblower will receive approximately \$9.75 million of the settlement proceeds.

USMCA

On December 16 and 17, U.S. Trade Representative Jamieson Greer [testified](#) to the House Ways and Means Committee and the Senate Finance Committee regarding the approaching six-year Joint Review of the U.S.-Mexico-Canada Free Trade Agreement (USMCA). The testimony included U.S. negotiating priorities, such as strengthening the rules of origin for non-automotive industrial goods and developing mechanisms to penalize offshoring U.S. production to Canada or Mexico.

On January 14, President Trump issued a [Proclamation](#) determining that imports of processed critical minerals and their derivative products (PCMDPs) present a Section 232 national security threat based on a (yet to be published) October 24, 2025 Commerce report. The Proclamation does not immediately impose Section 232 tariffs, but says the U.S. will negotiate agreements, monitor imports, and may take other actions. A [Fact Sheet](#) indicates negotiations with allies may lead to price floors for PCMDPs and additional Presidential actions may be needed if there is no progress in 180 days.

UNSTACKING TARIFFS

CBP has provided [guidance](#) and a [chart](#) on the unstacking sequence of certain trade remedy tariffs. The chart is intended to help entry filers and importers determine the order in which certain trade remedies apply.

AUTO PARTS 232 INCLUSION

BIS accepted submissions from January 1 through January 14 for the inclusion of additional auto parts in the Section 232 Auto Parts Tariffs. Accepted submissions will be posted for a two-week public comment period. Clients are encouraged to review submissions for potential impact. Contact [Brian Murphy](#) with questions. 90 [Fed. Reg. 58230](#) (Dec. 16, 2025).

CRIMINAL TRADE FRAUD

The Department of Justice (DOJ) [announced](#) resolution of a criminal trade fraud investigation into a scheme by a plastic resin distributor and two subsidiaries to falsify country of origin declarations to avoid China Section 301 duties. The DOJ declined to prosecute the companies and agreed to credit \$6.8 million previously paid to resolve the companies' civil liability under the False Claims Act. The DOJ considered the companies' voluntary self-disclosure of the misconduct, cooperation, and remediation efforts that included terminating and disciplining employees involved in the scheme. The company's former Chief Operating Officer was separately charged and agreed to plead guilty to conspiracy to smuggle goods into the U.S. for instructing subordinates to misrepresent the manufacturer and origin on Customs entries to avoid China Section 301 duties.

ACE NOTIFY PARTIES

CBP has issued a reminder that, beginning January 2, ACE Portal Trade Account Owners (TAOs) have the ability to add notify parties using CBP Form 4811 in the ACE Portal. CSMS #[67333418](#) (Jan. 8, 2026).

FTZ SAVINGS - DRAWBACK

the impact of the trade policy changes and for 2026 planning. We have previously worked with many clients on generating these reports and preparing summaries. Contact [Brenda Zeller](#) with questions.

VENEZUELA

After the January 3 [capture](#) of Venezuelan President Nicolas Maduro, U.S. sanctions on Venezuela may be expected to change, but the Office of Foreign Assets Control (OFAC) has not yet issued any changes to its Venezuela-related sanctions. Contact [Sean Murray](#) or [Chuck Ballard](#) with questions.

On December 31, OFAC [placed](#) four vessels that are part of a shadow fleet of tankers on the Specially Designated Nationals (SDN) List, as well as four companies associated with the vessels and some officials.

On December 30, OFAC [added](#) 10 Iranian and Venezuelan individuals and entities to the SDN List for contributing to Iran's unmanned aerial vehicle (UAV) program. Among those added was Empresa Aeronautica Nacional SA, which manufactured and assembled Iranian-designed UAVs in Venezuela.

On January 9, President Trump [issued](#) Executive Order 14373 to protect Venezuelan oil revenues held in U.S. Treasury accounts by prohibiting judicial processes such as attachment, liens, or garnishment and barring unauthorized transfers. It affirms the funds are sovereign property of Venezuela held for governmental and diplomatic purposes, not commercial use. 91 [Fed. Reg. 2045](#) (Jan. 15, 2026).

301 NICARAGUA TARIFFS

The USTR has issued a Notice that is imposing Section 301 tariffs on products of Nicaragua. All products of Nicaragua that are not CAFTA-DR originating goods will be subject to 301 tariffs of 10% beginning January 1, 2027, rising to 15% on January 1, 2028. However, subject products admitted into FTZs must be admitted in PF status beginning January 1, 2026. 90 [Fed. Reg. 60850](#) (Dec. 29, 2025).

TRADE STATS

CBP [collected](#) more than \$200 billion in tariff revenue from January 20 through December 15, 2025. By comparison, CBP [reported](#) \$88 billion in tariff revenue for fiscal year 2024.

Census trade [statistics](#) for October 2025 show that the trade deficit shrank from approximately \$48 billion in September to about \$29.5 billion. Exports rose \$7.8 billion in October to \$302 billion while imports decreased \$11 billion to \$331.4 billion. Year-to-date, the trade deficit increased \$56 billion (7.7%) from the same time in 2024. Exports rose

• In a January 13 speech in Detroit, President Trump called the USMCA “irrelevant” and said it provides “no real advantage” to the U.S.

UFLPA ENFORCEMENT

On December 16, several Democratic Congressmen [released](#) a letter to CBP that urges increased enforcement of the Uyghur Forced Labor Prevention Act (UFLPA). They allege that the Trump Administration has de-emphasized UFLPA enforcement.

LINGLONG TIRES WRO

On December 18, CBP issued a Withhold Release Order (WRO) for automobile tires made in Serbia by Linglong International Europe D.O.O. Zrenjanin (Linglong) based on evidence that Linglong is manufacturing the tires using forced labor. As a result, CBP is detaining all shipments of the tires. CSMS #[67142349](#) (Dec. 18, 2025).

ISRAEL AG AGREEMENT

President Trump issued Proclamation [10999](#) on December 29 that temporarily extends duty-free treatment for certain quantities of agricultural products from Israel for 2026 and makes technical modifications and corrections to various unrelated HTSUS provisions. 91 [Fed. Reg. 889](#) (Jan. 8, 2026).

FTZ Operators with imported, duty-paid but defective merchandise, should consider an underutilized FTZ savings option. Duty-paid merchandise may be admitted into an FTZ in Zone Restricted ([ZR](#)) status, either exported or destroyed in accordance with scrap and waste procedures, and the FTZ Operator can file for Duty Drawback to recover the duties paid. Contact [Marshall Miller](#) or [Amanda Ward](#) with questions.

CAMERA ORIGIN

CBP has issued a ruling that a Lumens VC-TR60A PTZ video conferencing camera is a product of Taiwan for U.S. government procurement purposes under the Trade Agreements Act (TAA). It found that components from China and other global sources undergo a complex manufacturing process which constitutes a substantial transformation in Taiwan. 91 [Fed. Reg. 1327](#) (Jan. 13, 2026).

GOVERNMENT PROCUREMENT

The USTR has issued a Notice with the minimum U.S. dollar thresholds to make U.S. government procurements subject to various trade agreements, including the WTO Government Procurement Agreement, the U.S.-Korea FTA, the U.S.-Morocco FTA, the U.S.-Panama FTA, and the U.S.-Peru FTA. 91 [Fed. Reg. 188](#) (Jan. 2, 2026).

approximately 6.3%, but imports rose 6.6%.

FDA REFUSALS

Food and Drug Administration statistics show a substantial increase in [Refusals](#) to 32,900 in fiscal year 2025, a 60% increase from the previous year.

FUEL PUMP/SENSOR HTSUS

CBP has proposed the revocation of a ruling on the tariff classification of a combination fuel pump and fuel level sensor. CBP believes it should be classified in HTSUS 8413.30.90 based on the fuel pump rather than in HTSUS 9026.10.20 based on the sensor. CBP invites comments by January 31. 59 [Cust. B. & Dec. 78](#) (Dec. 31, 2025).

AUKUS ITAR UPDATE

The Directorate of Defense Trade Controls (DDTC) has published a Final Rule updating the International Traffic in Arms Regulations (ITAR) on the trilateral security partnership between Australia, the United Kingdom, and the United States (AUKUS). The new regulations permit the use of general licenses in many circumstances. 90 [Fed. Reg. 61053](#) (Dec. 30, 2025).

FTZ STATISTICS

FOREIGN-TRADE ZONES BOARD ACTIVITY AS 1/15/2026

	Approved
Zones	310
Subzones*	914
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	Pending
Zones	3
Subzones	6

*From [Fed. Reg. Notices](#)

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