



## **PRESIDENT TRUMP ANNOUNCES NEW "GLOBAL TARIFFS" SECTION 122 TARIFF ACTIONS (February 21, 2026)**

Following the U.S. Supreme Court decision invalidating tariffs imposed under the International Emergency Economic Powers Act (IEEPA), late on February 20, President Trump issued:

1. an [Executive Order](#) that ends “as soon as practicable” the tariffs imposed under IEEPA (a) globally, (b) for Fentanyl against China, Mexico, and Canada, (c) against countries importing Venezuela oil, (d) Brazil, (e) India for importing Russian oil, (f) Iran, and (g) countries providing oil to Cuba; and
2. a Presidential Proclamation that [announced](#) the imposition of 10% tariffs on imports from all countries based on Section 122 of the Trade Act of 1974 (19 U.S.C. § 2132). The statute has never been used by a President to date.

The Section 122 Presidential Proclamation imposes “import surcharges” in the form of duties on all articles imported into the United States, with certain exceptions, to deal with alleged U.S. “large and serious balance-of-payments deficit.” These Section 122 duties shall not apply to imports of articles listed in paragraph 2 of [Annex I](#) (as described, in part, in [Annex II](#)) to the Proclamation including (a) certain enumerated goods such as certain critical minerals, energy and energy products, agricultural products (such as beef, tomatoes and oranges), pharmaceutical and pharma ingredients, agricultural chemicals and chemical ingredients, aircraft components and electronics, (b) goods subject to Section 232 tariffs now or in the future such as autos, auto parts, trucks, steel, aluminum, and copper articles, wood products, and semiconductor articles (except Section 122 duties apply to non-steel, non-aluminum, or non-copper content), and (c) USMCA compliant goods from Canada and Mexico and DR-CAFTA originating goods (but not other Free Trade Agreements). There are Section 122 duty exceptions for HTS Chapter 98 provisions, similar to the prior IEEPA tariff provisions. Clients are encouraged to carefully review Annex I and Annex II for their imported merchandise.

These Section 122 global duties go into effect with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 am EST on February 24, 2026, and shall continue in effect through 12:01 am EST on July 24, 2026 (i.e., for 150 days). There is a short in-transit exemption for goods that (i) loaded onto a vessel at the port of loading and in transit on the final mode of transit before 12:01 a.m. EST on February 24, 2026; and (ii) entered or withdrawn from

warehouse for consumption, before 12:01 a.m. EST on February 28, 2026.

Subject articles admitted into foreign-trade zones (FTZs) after 12:01am EST on February 24, 2026, must be admitted in Privileged Foreign (PF) status. The treatment of goods admitted in PF status prior to this date but subject to Customs entry thereafter is unclear. FTZ clients should discuss with our firm a potential opportunity for duty savings for FTZ on-hand inventory by filing Customs entry prior to Section 122 duties going into effect as has occurred multiple times in 2025.

In a social media post on February 21, President Trump announced that the Section 122 10% duties will be increased to 15% “effective immediately,” but there has been no official action to date. Further, Section 122 only authorizes the President to impose these duties for a period of 150 days with Congressional action necessary thereafter. It is silent regarding whether the President can impose these tariffs for an additional 150 days after the initial period ends. U.S. Trade Representative Jamieson Greer has said that USTR will conduct a series of new “accelerated” Section 301 investigations covering most major trading partners. Additional Section 232 investigations are also possible. Presumably, these investigations will lead to new tariffs that can replace the “temporary” Section 122 tariffs.

It is unclear if these Section 122 tariffs can be waived by trade deals struck by the Trump Administration over the last year. However, multiple press reports indicate that countries that have reached trade deals with the United States are unlikely to seek changes as a result of the Supreme Court’s decision on the IEEPA additional tariffs.

Clearly there will be many continuing developments in both the immediate and longer-term. Contact [Marshall Miller](#), [Brian Murphy](#), [Sean Murray](#), or [David Ostheimer](#) with questions.

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