



SUPREME COURT STRIKES DOWN IEEPA-BASED TARIFFS (February 20, 2026)

On February 20, the U.S. Supreme Court issued a [decision](#) that strikes down the President's authority to impose tariffs under the International Emergency Economic Powers Act (IEEPA).

In a 6-3 Supreme Court decision, the six-justice majority agreed that tariffs are not authorized by the statutory text of IEEPA. The opinion, written by Chief Justice Roberts, was based on legal principles of statutory interpretation and application of the "Major Questions Doctrine," reasoning that Congress did not clearly delegate its power to assess tariffs in IEEPA. Three of the justices – Justice Kagan, Justice Sotomayor, and Justice Jackson – agreed that IEEPA does not authorize the President to impose tariffs based on principles of statutory interpretation, but did not join the decision under the "Major Questions Doctrine" rationale. Justice Thomas, Justice Kavanaugh, and Justice Alito dissented from the opinion.

What does this Supreme Court decision mean for importers?

- **New, Replacement Tariffs.** Look for new tariffs to be implemented to replace the IEEPA tariffs. The Supreme Court decision struck down the tariffs based on IEEPA, but not the tariffs based on other statutes (e.g., Sections 232 and 301). In a post-decision press conference, President Trump announced that he will be issuing an Executive Order to impose a 10% "global tariff" under Section 122 of the Trade Act of 1974 (19 U.S.C. § 2132). Section 122 permits the President to impose additional duties up to 15% for a period not to exceed 150 days to remedy large and serious U.S. balance of payment deficits. The Commerce Department has also been conducting [Section 232 "national security" investigations](#) into various types of imported articles. The President may impose Section 232 duties on covered products after the Commerce Department has completed its investigation and presented its recommendations to the President.
- **Court Administrative Proceedings/Refund Process.** The IEEPA tariff refund process is to be determined. The Supreme Court's decision affirmed the decision of the U.S. Court of Appeals for the Federal Circuit (CAFC) which affirmed the original decision of the U.S. Court of International Trade (CIT) in V.O.S. Selections, Inc. v. U.S. that granted Summary Judgment in favor of the plaintiffs. At the time of the CIT's decision, the CIT ordered the necessary administrative orders to be issued within 10 days. There is also the possibility that the Justice Department will request a rehearing at the Supreme Court. They have 25 days to request a rehearing. Ultimately, we expect a court or Customs agency-based refund process to be established. We will provide an update when details are known.
- **Current Imports.** Clients should continue importing (Customs entries, FTZ admissions, etc.) under existing procedures and HTSUS classifications consistent with the Executive Orders and CSMS Messages imposing the IEEPA tariffs. This will mean continued payment of IEEPA tariffs, but those tariff payments should ultimately be subject to refund.

- **Refund Preparations.** As previously indicated, clients should prepare Customs entry reports that capture their IEEPA-based tariff payments and maintain Customs entry records, so that they are ready when the refund process is established. Clients should also take steps to authorize ACE Portal ACH Refunds.

Finally, a legal technicality that may be of interest or a source of confusion. The Supreme Court decision is being referred to as Learning Resources, Inc. v. Trump even though it is a consolidated case with V.O.S. Selections, Inc. v. U.S. While referred to as Learning Resources, it should be noted that the Supreme Court vacated the district court's judgment in the Learning Resources case and remanded it to the district court with instructions to dismiss for lack of jurisdiction. Thus, despite the Supreme Court decision being referred to as Learning Resources, the relief will be granted under the V.O.S. Selections case, and the Learning Resources, Inc. v. Trump aspect of the decision is a reminder of the importance of recognizing CIT jurisdiction over Customs issues.

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

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