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ADJUSTING SECTION 232 TARIFFS ON STEEL, ALUMINUM, AND COPPER AND THEIR DERIVATIVES
(April 3, 2026)

On April 2, President Trump issued a Presidential Proclamation adjusting Section 232 tariff treatment of imported steel, aluminum, and copper and their derivatives, effective next Monday 12:01am Eastern Daylight Time (EDT) on April 6, 2026. The Proclamation was accompanied by a Fact Sheet.

Revised Section 232 Tariff Framework

The Proclamation reduces Section 232 tariff rates for some products, removes certain products, and eliminates the previously-established metal content rules, assessing Section 232 tariffs on the full customs value of covered steel, aluminum, and copper products. Key provisions include:

- Steel, aluminum, and copper products, along with certain derivative articles listed in Annex I-A will be subject to a 50% tariff applied to the total value of the article. Annex I-A includes a wide variety of goods, such as certain pipe fittings, screws, bolts, wire, knives, structures, pipes, springs, and residual other steel, aluminum, and copper articles.

- Certain derivative articles of steel, aluminum, and copper identified in Annex I-B will be subject to a 25% tariff applied to the total value of the article. This Annex includes certain mower parts, washing machines, bearings, locomotives, tractors, golf carts, auto parts, bakeware, ladders, fans, valve parts, electric motors, insulated wires, trailers, etc.

- Products enumerated in Annex II are expressly excluded from Section 232 tariffs on steel, aluminum, and copper. This Annex includes certain milk, helium, paints, detergents, pesticides, residual chemicals, cast iron bakeware, diesel auto engines, motorcycles, furniture parts, computer parts, snow skis, fishing reels, among others.

- Certain metal-intensive industrial machinery, tools, and electrical grid equipment listed in Annex III such as certain tools, industrial robots, injection molding machine parts, shaft couplings, etc. will receive a temporary reduced tariff rate of up to 15% until December 31, 2027. If the Normal Trade Relations (NTR) Column 1 rate is less than 15%, then the combined Column 1 and Section 232 tariff rate is 15%. If the NTR Column 1 rate is 15% or more, then the Section 232 tariff rate is zero (0%) through December 31, 2027, after which the rate will increase to 25%. However, Articles in Annex III imported from countries that do not have Normal Trade Relations with the United States will be subject immediately to a 25% tariff rate.

- Articles in Annexes I and III, containing at least 95% U.S.-origin steel, aluminum, or copper by weight may qualify for a reduced 10% tariff rate, provided strict origin requirements are met. Specifically:

  - Steel must be melted and poured in the United States
  - Aluminum must be smelted and cast in the United States

- Copper must be smelted and cast in the United States

- Articles In Annexes I and III made from steel and aluminum from the United Kingdom may qualify for a reduced 15% tariff rate pursuant to continued discussions with the United Kingdom.

- Products classified outside HTS Chapters 72, 73, 74, and 76 are exempt from Section 232 tariffs if the combined weight of steel, aluminum, and copper is less than 15% of the total article's weight.

- Items listed in Annex I-B or Annex III that contain no steel, aluminum, or copper are not subject to Section 232 tariffs.

- Annex IV sets forth the specific HTSUS language.

- The Proclamation addresses tariff stacking. When an article's HTS appears on multiple annexes or contains more than one covered metal, it will be assessed only a single applicable rate (e.g., 50% or 25%), rather than cumulative tariffs.

Country-Specific Treatment

Preferential arrangements currently in place for imports from the United Kingdom, European Union, Japan, and South Korea and WTO civil aircraft and their parts remain intact, but implementation is unclear.

FTZs, Duty Drawback, and Russia

Subject goods admitted into foreign-trade zones (FTZs) after 12:01 am EDT on April 6, 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. CBP CSMS messages or other guidance may clarify treatment of such PF goods.

No Duty Drawback is allowed except manufacturing duty drawback claims in certain limited circumstances.

The 200% tariff on Russian-origin aluminum remains in effect.

Changes to the Derivative Article Process

The Proclamation formally eliminates the prior administrative "tariff inclusion" mechanism that allowed additional steel, aluminum, or copper derivative articles to be added to the Section 232 regime through a public petition process. Going forward, new derivative products may be added on a rolling basis only when the Department of Commerce and the U.S. Trade Representative jointly determine that imports of such products pose a national security risk.

Please contact Marshall Miller, Brian Murphy, Sean Murray, or David Ostheimer with questions or to discuss specific circumstances in detail.