



NEW 338 CANADIAN TARIFFS

The additional 50% Section 338 tariffs on Canadian alcohol, dairy products, motor vehicles, and automobile parts announced by President Trump on July 20 go into effect on August 19 unless the countries reach a last-minute agreement. See our [July 21](#) "What's New" for more information. Contact [Marshall Miller](#), [Brian Murphy](#), or [Sean Murray](#) with questions. 91 Fed. Reg. [46639](#); 91 Fed. Reg. [46653](#); 91 Fed. Reg. [46663](#) (July 23, 2026).

232 POLYSILICON TARIFFS

President Trump issued a Proclamation on August 6 imposing minimum import prices (MIPs) and new Section 232 tariffs on polysilicon and certain derivative products, effective December 4. Importers must certify their sale prices. Imports below the applicable MIP will face a specific tariff equal to the shortfall, while missing documentation could result in assessment of the full MIP and additional enforcement. Specified downstream products will also face a 15% Section 232 tariff. The Proclamation authorizes duty relief for companies investing in U.S. manufacturing. Products brought into foreign-trade zones (FTZs) must be admitted in Privileged Foreign (PF) status unless they are "domestic status." See our [August 13](#) "What's New" for more details. 91 Fed. Reg. [51975](#) (Aug. 6, 2026).

IEEPA REFUNDS

- Oral arguments are scheduled for [August 19](#) in the [Freestyle World](#) U.S. Court of International Trade (CIT) lead case over a motion to certify a class action for IEEPA tariff refunds of "finally liquidated" entries.
- In August 6 [oral arguments](#) in the ongoing [V.O.S. Selection](#) case, the CIT judge handling the IEEPA tariff refund cases considered class action status and refunds for "finally liquidated" entries.
- Clients filing IEEPA refund claims should be auditing their refunds to ensure they are receiving the expected amounts.

SECTION 321 IEEPA

The CIT has upheld the Executive Orders issued under IEEPA which terminated the Section 321 de

2026 FIRM SEMINARS

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

FTZ 101 – September 15
FTZ 201 – September 16

Import/Export 101 – November 4
Import/Export 201 – November 5

See our [website](#) for more detailed information. Please contact [Shari Rees](#) with questions. Seminars are offered to Miller & Company clients only.

JOHN DAPONTE (1933-2026)

John J. DaPonte, Jr., Executive Secretary of the U.S. Foreign-Trade Zones (FTZ) Board from 1972 to 1997, passed away peacefully on June 9. John served with distinction as Executive Secretary of the FTZ Board for decades, helping guide one of the nation's most important trade and economic development programs through a period of extraordinary growth and transformation. Throughout John's career, he was a thoughtful steward of public policy, a respected authority on FTZs, and a tireless advocate for strengthening the international competitiveness of American businesses.

301 FORCED LABOR

Beginning July 24, the U.S. imposed new Section 301 tariffs of 10% or 12.5% on imports from 60 economies found not to effectively prohibit imports produced with forced labor. Exemptions include USMCA-originating goods, certain pharmaceuticals, and products already subject to Section 232 tariffs. There are country-specific HTSUS Chapter 99 provisions, exclusions, and textile-related tariff-rate quotas. Merchandise must be admitted into FTZs in PF status. CBP has issued implementation guidance in CSMS [#69326983](#) (July 23, 2026). See our [July 23](#) "What's New" for more details. 91 Fed. Reg. [47717](#) (July 28, 2026); 91 Fed. Reg. [47318](#) (July 28, 2026).

301 FORCED LABOR LITIGATION

On August 3, twenty-five (25) states filed an action in the CIT alleging

232 PHARMA

The first phase of the Section 232 tariffs on patented pharmaceuticals and their ingredients went into effect on July 31. CBP has issued a CSMS message with some guidance on the HTSUS reporting requirements, but there are many unanswered questions and potential issues, including the scope of covered products and FTZ Privileged Foreign (PF) status treatment for companies with onshoring agreements. Contact [Marshall Miller](#) or [Sean Murray](#) with questions. CSMS [#69395344](#) (July 30, 2026).

UK PHARMA TARIFFS

The Bureau of Industry and Security (BIS) has announced the reduction of the additional tariff rate on patented pharmaceuticals and their ingredients that are products of the United Kingdom from 10% to 0%, effective July 31. The action follows the successful conclusion of the U.S.-UK drug pricing arrangement [announced](#) on April 2. HTSUS 9903.04.63 has been amended to "+0%" duty rate for covered UK-origin products. 91 Fed. Reg. [49406](#) (Aug. 4, 2026).

GENERIC DRUGS

President Trump [announced](#) on July 21 that imported generic drugs will be subject to a 100% tariff effective August 1, 2028, increasing to 200% on August 1, 2029. The phased tariff structure is intended to encourage manufacturers to expand domestic production capacity during the two-year transition period. The tariff rate increase is expected to have significant supply chain implications, particularly for imports sourced from India and China. No detailed tariff schedule or implementation guidance has yet been released.

TRANSSHIPMENT

On August 13, the White House posted "The Great Transshipment Scam" [report](#) by the Office of Trade and Manufacturing Policy, which describes the "Shadow Transshipment Network" for China-linked goods and sets forth the goal of combatting illegal transshipment by having every bill of lading, shipping manifest, and certificate of origin pass through an AI-driven, CBP-administered "Detective Border."

minimis duty-free program for imports valued at \$800 or less. [Axle of Dearborn, Inc. v. U.S.](#), CIT Slip Op. [26-94](#) (Aug. 13, 2026).

232 UAS/DRONES

- On August 13, President Trump issued a [Proclamation](#) that [imposes](#) a 100% tariff on imported unmanned aircraft systems (UAS) with a maximum take-off weight (MTOW) over 25kgs, UAS with integrated thermal imagers, docking stations, and certain components, and a 25% tariff on UAS with a MTOW of up to 25 kgs. The effective date is September 3 for most covered products, with a delayed February 9, 2027 effective date for some components. There are product exceptions, lower tariff rates for trade agreement partner countries, and provisions for manufacturing drawback, PF-status FTZ treatment, and onshoring plans.
- One day after the Section 232 tariffs on imported UAS/drones were announced, the Bureau of Industry and Security (BIS) issued a Final Rule that generally reduces controls and licensing requirements on UAS/drone exports, effective August 13. 91 [Fed. Reg. 52501](#) (Aug. 14, 2026).

301 BRAZIL TARIFFS

- 25% Section 301 tariffs on Brazil-origin products went into effect on July 22. Exceptions include products subject to Section 232 actions and certain meats, fruits, vegetables, juices, teas, oils, fuels, minerals, wood products, semiconductors, computers, drugs, civil aircraft, and pharmaceutical items. See our [July 21](#) "What's New" for additional information. 91 [Fed. Reg. 45619](#); 91 [Fed. Reg. 45516](#) (July 20, 2026).
- Brazil has filed a [request](#) with the World Trade Organization (WTO) for consultations with the U.S. on the Section 301 tariffs.

232 ALUMINUM/STEEL/COPPER

The Commerce Department is seeking public comments on the addition of 14 additional derivative products (covered by 20 HTSUS classifications) to the Section 232 aluminum, steel, and copper tariffs. Comments are due by August 27. See our [August 5](#) "What's New" for more information. 91 [Fed. Reg. 50756](#) (Aug. 6, 2026).

ALUMINUM ONSHORING

President Trump issued a Proclamation on July 20 that [announced](#) an incentive for onshoring aluminum production, allowing companies that commit to building or expanding aluminum facilities to import a matching quantity of aluminum with a 50% reduction in the applied duty rate. Construction of qualifying facilities must begin by January 20, 2029. 91 [Fed. Reg. 46635](#) (July 23, 2026).

BLACK MASS/TUNGSTEN

that the Section 301 forced labor tariffs are a pretext to revive the IEEPA reciprocal tariffs that were struck down by the U.S. Supreme Court, exceed the Executive Branch's authority under Section 301, and failed to satisfy Administrative Procedure Act (APA) requirements. This action has been consolidated into a master case with two other cases on the same issue and [assigned](#) to a three-judge panel. Oral argument has already been [scheduled](#) for September 30. [In re Section 301 Forced Labor Cases](#), CIT Case No. 26-cv-03555-3JP.

FY 2027 MPF INCREASE

Effective October 1, the annual inflation adjustment will increase the maximum Merchandise Processing Fee (MPF) from \$651.50 to \$670.86 and the minimum MPF from \$33.58 to \$34.58. 91 [Fed. Reg. 48398](#) (July 31, 2026).

FTZ FILER CODE

FTZ Operators seeking to file and concur FTZ Admissions without utilizing a customs broker must request and obtain a Filer Code from CBP. This Filer Code can also be used to file QP 7512 In-Bond Applications. Contact [Marshall Miller](#), [Linda King](#), or [Amanda Ward](#) with questions.

EXPECT FTZ ANNUAL REVIEWS

CBP ports are required to complete annual FTZ compliance reviews before the federal fiscal year ends on September 30, so FTZ Operators who have not yet undergone their 2026 annual review should be prepared for CBP outreach and review in the next two months.

e214 ERROR CODE

CBP has implemented a new e214 error code validation for Post Admission Corrections ("PAC") in the Automated Commercial Environment (ACE). CSMS [#69368975](#) (July 28, 2026).

PSC ELECTRONIC PAYMENTS

Effective August 5, filers submitting a Post Summary Correction (PSC) that results in an increase in duties, taxes, or fees must remit payment in full electronically through the CBP Automated Clearinghouse (ACH) or wait for a bill from CBP at liquidation. CBP will no longer accept PSC payments by check or cash. Interest on additional amounts will not be accepted until liquidation, when CBP will issue a bill for the interest due. Filers should ensure appropriate ACH payment procedures are in place to avoid delays or processing issues. CSMS [#69428352](#) (Aug. 3, 2026).

DEVICE ORIGIN

CBP has issued a Trade Agreements Act (TAA) government procurement origin determination that an ultrasound imaging system

CRITICAL MINERALS

President Trump issued an Executive Order on July 20 that increases domestic and allied-country sourcing requirements for critical minerals and materials used in U.S. defense procurements. Effective January 1, 2027, contractors seeking waivers to acquire covered materials from non-compliant sources generally must submit approved plans to identify compliant suppliers and transition from non-compliant sources. The Order also directs the Department of War to expand supply chain mapping and risk assessments for designated procurements and accelerate qualification of new domestic and allied sources. Defense contractors should expect increased scrutiny of sourcing practices and additional compliance obligations as new regulations are implemented. 91 [Fed. Reg. 46693](#) (July 23, 2026).

QUARTZ SURFACE PRODUCTS

President Trump issued a Proclamation on July 31 imposing four-year safeguard tariff-rate quotas (TRQs) on certain quartz surface product imports, effective August 15. Covered products include quartz slabs, countertops, backsplashes, vanity tops, flooring, wall facings, tiles, and related products classified in HTSUS 6810.99.0020, 6810.99.0040, and 7020.00.6000. The annual TRQ will be administered quarterly, with unused quantities eligible for carry-forward. Our [August 5](#) "What's New" provides annual TRQ levels and identifies free trade agreement countries excluded from the quotas. 91 [Fed. Reg. 50645](#) (Aug 5, 2026).

FIREARM SILENCERS

BIS and the State Department have [issued](#) Interim Final Rules that transfer controls over the export of certain silencers and sound suppressors from the U.S. Munitions List (USML) and the International Traffic in Arms Regulations (ITAR) to the Commerce Control List (CCL) and the Export Administration Regulations. Some changes went into effect on July 23, and the others go into effect on November 20. Comments are due by August 24. 91 [Fed. Reg. 46252](#) (July 23, 2026); 91 [Fed. Reg. 46279](#) (July 23, 2026).

VEHICLE IMPORT OFFSET

Commerce has established procedures allowing domestic automobile and medium- and heavy-duty vehicle (MHDV) engine manufacturers to claim import adjustment offsets for certain imported parts subject to Section 232 tariffs. Eligible manufacturers may receive an annual offset equal to 3.75% of the value of qualifying engines assembled in the U.S. The program is intended to support U.S.

BIS has issued a Temporary Final Rule to preclude the export of black mass and tungsten waste and scrap without a BIS export license. The rule is set to expire on August 27, 2027. Comments are due by November 4. 91 [Fed. Reg. 50701](#) (Aug. 6, 2026).

STRAIT OF HORMUZ INSURERS

The Office of Foreign Assets Control (OFAC) [announced](#) on July 29 that it was sanctioning two Iranian entities that were offering insurance to vessels transiting the Strait of Hormuz, as well as vessels that have been transporting Iranian oil in violation of the various sanctions.

LED ORIGIN CASE

On August 5, the U.S. Department of Justice (DOJ) [announced](#) a settlement with Everlight Electronics, a Taiwanese maker of light emitting diodes (LEDs), and its U.S. subsidiary, under which Everlight agreed to remit \$5.15 million for alleged known misrepresentations of Chinese-made LEDs as Taiwan-origin.

assembled in Mexico (a TAA-designated country) and the U.S., with components sourced from both TAA-designated and non-TAA-designated countries, is U.S. origin for U.S. Government procurement purposes. 60 [Cust. B. & Dec. 41](#) (July 29, 2026).

CPSC ACE GUIDANCE

On July 8, the Consumer Product Safety Commission (CPSC) fully implemented its eFiling message set in ACE. The CPSC ACE Implementation Guide has been moved to the PGA Message Set Documents section. CSMS [#69368723](#) (July 28, 2026); CSMS [#69382435](#) (July 29, 2026).

PIPELINE ENTRIES

Houston CBP has issued a reminder that the National Customs Automation Program (NCAP) test for pipeline imports of crude oil began on July 2. The monthly pipeline entry process is limited to duty-free merchandise, which includes USMCA-eligible oil imports. Contact [Marshall Miller](#) or [Sean Murray](#) with questions. Houston TIN [#69496427](#) (Aug. 11, 2026).

engine production while helping offset tariff liability incurred on covered automobile and MHDV parts. Applications began being accepted on July 29. 91 [Fed. Reg. 47807](#) (July 29, 2026).

FCC BANNED LIST

The Federal Communications Commission (FCC) [announced](#) on July 28 that it has added mobile robots, such as humanoids and quadrupeds, and connected power inverters produced in foreign countries to its "Covered List" of devices that will not receive FCC equipment authorizations based on their national security and cybersecurity risks. Exemptions may be granted in some instances.

FTZ STATISTICS	
FOREIGN-TRADE ZONES BOARD	
ACTIVITY AS 8/15/2026	
	Approved
Zones	312
Subzones*	923
	Pending
Zones	3
Subzones	24

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

Miller & Company P.C. | 4929 Main Street | Kansas City, MO 64112 US

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