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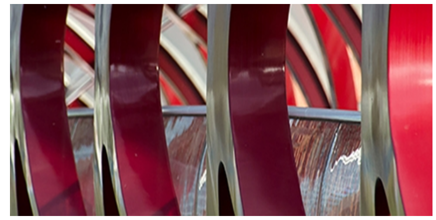

News & Types: Client Advisories

Trump Administration Imposes Tariffs on All Categories of Goods

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Practices: Commercial, Competition & Trade

On Wednesday (April 2, 2025), President Trump signed his latest executive order implementing additional duties on imports of foreign goods. As of April 5, an additional 10% “reciprocal” import duty on goods from all countries, except Canada and Mexico, will take effect. On April 9, country-specific duties will be imposed including 24% for Japan, 26% for South Korea, 20% for all EU countries, and a total of 54% for China (including previous tariffs). The exemptions from these across-the-board “reciprocal” tariffs include:

1. Copper, pharmaceuticals, semiconductors, lumber, bullion, and certain energy and minerals products.
2. Automobiles, which are subject to a separate 25% import duty as of April 3 for all countries, with automobile parts being subject to the same tariff on or before May 3. Currently, automobiles (and parts) of US, Mexican, or Canadian origin are exempt from this duty, but in future, Canadian and Mexican exporters will have to certify the US content of their automobiles or parts, and only the US content will be excluded from the additional duty.
3. Steel, aluminum, and certain listed derivatives, which are subject to a separate 25% import duty, effective March 12 from all countries. All previous exclusions and exemptions from Section 232 steel and aluminum tariffs have been terminated.
4. Canadian and Mexican goods, which are subject to a separate 25% import duty, unless the goods (a) are compliant with the USMCA treaty; and (b) are not automotive goods subject to paragraph 2 above. For certain Canadian exports of energy, this tariff is reduced to 10%.

Businesses importing goods into the US from April 5 will want to review their contracts to determine whether the buyer or seller of the goods is liable for the increase in import duties. Some contracts may also allow for alterations in the pricing and payment of import duties. In addition, businesses may want to consider changing the procedures or documentation for their international sales or purchase transactions, where the US is the destination. Currently, the “reciprocal” tariffs also impose steep import duties on goods from traditional export countries in Southeast Asia, such that the usual changes in production and supply chain will not avoid the new import duties. Switching production to Canada and Mexico will also encounter more difficulties than in previous years for qualifying goods for duty-free access to the US market.

Businesses should act quickly in formulating a legal strategy for avoiding the worst effects of the new US import tariffs.

For guidance on navigating these new tariffs, please contact Asa Markel at amarkel@masudafunai.com.

Masuda Funai is a full-service law firm with offices in Chicago, Detroit, Los Angeles, and Schaumburg.