

Big Change in Mexico and Canada IEEPA Additional Duties

On Thursday, President Trump issued two new executive orders dealing with the additional IEEPA additional duties. Any products of Canada and Mexico that qualify for Duty-Free treatment under the United States-Mexico-Canada Free Trade Agreement (USMCA) will not be subject to the IEEPA additional tariffs. These orders with the exemptions that began on March 7, 2025, will not be retroactive to March 4, 2025. The two orders can be found at: <u>Amendment to Duties to Address the Flow of Illicit Drugs Across Our Southern Border – The White House</u> and <u>Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border – The White House</u>

U.S. Customs and Border Protection followed up with a notice with its own detailed instructions on these changes. This notice can be found at: <u>Official CBP Statement On Tariffs | U.S. Customs and Border</u> <u>Protection</u>.

USMCA has allowed goods that are classified under duty-free provisions can be claimed under USMCA to be free of Merchandise Processing Fees (MPF). These goods, if qualified, will also be exempt from IEEPA additional duties.

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Todd Boice President