



NEWS IN BRIEF

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<u>CBP Issues Changes for</u> <u>Guidance to IEEPA Reciprocal</u> <u>In-Transit Exceptions</u>

U.S. Customs and Border Protection (CBP) has made two changes to the exemption for IEEPA-specific rates for goods in transit. The first is an extension for the entry filing date. It applies to the vessel dates loading prior to April 5, 2025, April 9, 2025, and April 10, 2025. Goods covered by exemption for in-transit by these (3) dates had a requirement that the entry must be filed prior to May 28, 2025. CBP has issued guidance that the time limit for filing an entry has been extended to prior to June 16, 2025. A link to this CSMS can be found at: CSMS # 65201773 - UPDATED GUIDANCE -International Emergency Economic Powers Act (IEEPA) Reciprocal In-Transit End Date Extension

The second change was made to the reciprocal in-transit in an FAQ response provision. Many in the trade believed that the final mode of transportation applied to the type of transportation including goods moving on one ship transferring to another ship was still under that same mode. In a Frequently Asked Question response, CBP interprets that the same mode means that the cargo must stay on the same ship. The ship can stop at different ports, but as long as the U.S. bound cargo stays on the ship until arrival at a U.S. port, the goods will still be eligible for the in-transit exemption. This interpretation came as a surprise and many trade associations are asking for review and clarification of this response. The FAQ can be found at: International Emergency Economic Powers Act (IEEPA) Frequently Asked Questions | U.S. Customs and Border Protection

Update on CIT Decision to Block <u>Trump's Use of IEEPA to</u> <u>Impose Tariffs</u>

The Court of International Trade (CIT) issued a decision that blocks the use of the International Emergency Economic Powers Act IEEPA to impose additional tariffs on imported goods. The decision covers:

- the additional fentanyl tariffs of 25% on Mexico and Canada and 20% on China
- the 10% reciprocal tariff currently assessed on all countries including China.

The decision ordered the end of collecting the additional Tariffs within (10) days.

The U.S. government filed an appeal with the U.S. Court of Appeals for the Federal Circuit (CAFC). It also requested a 'stay' on the ending of the additional tariffs. The 'stay' has been granted to allow the CAFC to review the appeal. The additional tariffs will continue to be collected.

The complaint before CIT does not include additional tariffs under section 232 such as steel and aluminum or Section 301 duties that go back to Trump's first terms.

The case before the CIT did not include a request to override the ending of the use of de minimis for goods made in China.

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<u>Trump Announces Increase on</u> <u>Imports of Steel and Aluminum</u>

President Trump announced his intent to increase tariffs on both steel and aluminum imports. Originally, he announced an increase of an additional 25% making the duty 50%. In a post on Friday on Truth Social, he announced that he intends to increase aluminum tariffs by 25% too. We should have an executive order with the details of an increase to 50% for both steel and aluminum by June 4, 2025.

USTR Extends Existing China 301 Exclusions

On Saturday the Office of the U.S. Trade Representative (USTR) announced the extension of the current exclusions for the China Section 301 duties that were scheduled to expire on May 31, 2025. This includes 164 exclusions that were extended on May 30, 2024, and 14 exclusions covering certain solar manufacturing equipment that were announced on September 14, 2024. The exclusions were extended to August 31, 2025. The Federal Register Notice with the announcement can be found at: Federal Register Notice Extending Exclusions 05312025.pdf

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By Todd Boice, President

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