

THE CARMICHAEL COMPASS

"WHEN THE TIDES OF TRADE SHIFT, WE'RE YOUR COMPASS."

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Update on the CIT Section 122 Tariff Case

As expected, the US government filed an appeal of the Court of International Trade's decision striking down the Section 122 tariffs imposed by President Trump in February. The US also sought a stay of the injunction against the collection of the tariffs which was applicable only to the importers that filed suit against the tariffs. Yesterday, the U.S. Court of Appeals for the Federal Circuit granted an administrative stay to give them time to consider the government's motion to stay the judgment. This administrative stay gives the court 7 days to rule on a more permanent stay of the orders.

At this time, no changes are to be made in the filing of entries. Entries will need to continue to be submitted with the Section 122 tariffs. No instructions have been given on the issuance of any potential refunds. We will be monitoring this situation and should anything change, we will advise as soon as possible.

ACE Collections Reminder

Carmichael International Service would like to remind our clients that as of December 15, 2025 Periodic Monthly Statement (PMS) Test participants must submit electronic payment of supplemental duty bills for which the SDB resulted from an entry that was originally paid on a monthly statement via the PMS Test. It should be noted that applicable supplemental duty bills that continue to be paid by means other than the Pay.gov

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TTB Accepting CBMA Claims

Drawback to Transition to New Center of Excellence

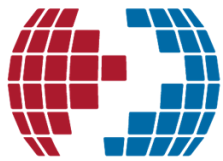
In a CSMS message sent to the trade on Friday, May 8, Customs and Border Patrol (CBP) reminded the trade that drawback claims transmitted to ACE have now transitioned to the Petroleum, Natural Gas, and Minerals Center of Excellence and Expertise. No change has been made to the way filers transmit drawback claims – claims should continue to be filed via ACE in accordance with CBP and the CATAIR. Any remaining paper (pre-ACE)

Bill Payment Form or via ACH Credit may result in suspension from monthly statement payment privileges offered via the PMS program.

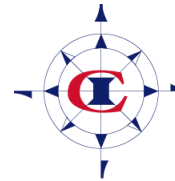
In early April we wrote that the Alcohol and Tobacco Tax and Trade Bureau (TTB) asked importers to hold off on filing their Craft Beverages Modernization Act (CBMA) claims due to transmission errors between CBP and TTB. TTB had taken the Importer Claims System down to correct any flawed data that was received from CBP. TTB has finished its review, and the claims system is back online as of last week. Importers may resume filing CBMA claims.

claims will remain at the drawback office where they were initially filed.

A list of contacts for filers needing to communicate with their drawback specialists was also provided. To view this list, please visit the [CSMS message](#).



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Early Results for CAPE Filings

Yesterday, CBP updated the CIT on the status of CAPE filing results. As of May 12th, the amount of CAPE declarations that have passed validation include 15,123,221 entries. Of those entries, CBP has liquidated or reliquidated 8,338,081 entries without the IEEPA duties. These entries are now set up for the refund process with the Department of Treasury. Some refunds are expected to start as early as May 12. CBP did note that as of May 11 1,880 refunds were not transmitted to the Treasury due to ACH account information not being provided by the IOR or its authorized CBP Form 4811 designee.

Importers who have had CAPE declarations filed should watch for refunds. If you receive a refund, compare them to your filed declarations to review for corrections that could be refiled or for issues that may have to wait for Phase II declaration filings.

USTR Has Published a Proposal for Fees of Chinese-made vessels

In a Federal Register notice set to be published on Wednesday May 13, the Commerce Department has released the procedures by which pharmaceutical product manufacturers can apply for company-specific onshoring agreements. Companies who enter into such agreements will be eligible for a reduction of the Section 232 duties on imports of their pharmaceutical products and ingredients. Applications for these agreements can be found on the Bureau of Industry and Security [website](#) and must be submitted with documentation to pharma232@bis.doc.gov within 30 days from publication of the notice. To view the application requirements, please visit the [Federal Register](#).

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