



SCWA Legislative & Regulatory Update

April 3, 2025

With so much political commentary about the new Tariff Announcement SCWA wanted to provide the specific information for you to evaluate.

President Trump Makes Tariff Announcement

The following information comes directly from the White House:

"Yesterday, President Trump took historic action and imposed responsive tariffs to strengthen the international economic position of the United States and protect American workers.

- President Trump is invoking his authority under the International Emergency Economic Powers Act of 1977 (IEEPA) to address the national emergency posed by the large and persistent trade deficit that is driven by the absence of reciprocity in our trade relationships and other harmful policies like currency manipulation and exorbitant value-added taxes (VAT) perpetuated by other countries. Using his IEEPA authority, President Trump will impose a 10% tariff on all countries.
- **This will take effect April 5, 2025 at 12:01 a.m. EDT.**
- President Trump will impose an individualized reciprocal higher tariff on the countries with which the United States has the largest trade deficits. All other countries will continue to be subject to the original 10% tariff baseline.
- **This will take effect April 9, 2025 at 12:01 a.m. EDT.**
- These tariffs will remain in effect until such a time as President Trump determines that the threat posed by the trade deficit and underlying nonreciprocal treatment is satisfied, resolved, or mitigated.
- The IEEPA Order also contains modification authority, allowing President Trump to increase the tariff if trading partners retaliate or decrease the tariffs if trading partners take significant steps to remedy non-reciprocal trade arrangements and align with the United States on economic and national security matters.
- Some goods will not be subject to the Reciprocal Tariff. These include:
 - (1) articles subject to 50 USC 1702(b);
 - (2) steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs;
 - (3) copper, pharmaceuticals, semiconductors, and lumber articles;
 - (4) all articles that may become subject to future Section 232 tariffs;
 - (5) bullion; and
 - (6) energy and other certain minerals that are not available in the United States.

For Canada and Mexico, the existing fentanyl/migration IEEPA orders remain in effect, and are unaffected by this order. This means **USMCA compliant goods will continue to see a 0% tariff, non-USMCA compliant goods will see a 25% tariff, and non-USMCA compliant energy and potash will see a 10% tariff.** In the event the existing fentanyl/migration IEEPA orders are terminated, USMCA compliant goods would continue to receive preferential treatment, while non-USMCA compliant goods would be subject to a 12% reciprocal tariff.

To learn more, please [watch](#) an exclusive discussion among Senior Officials regarding the announcement and the President's overall trade agenda."

Additional Information:

ICYMI: [2025 National Trade Estimate Report](#)

[Reciprocal Tariffs Fact Sheet](#)

[De Minimis Fact Sheet](#)

[Tariff Breakdown](#)

[Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China](#)

[Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits](#)

We will continue to update on any tariff developments.



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