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New Tariff Rates to Take Effect Aug. 7, With In-Transit Exception

The White House is leaving most countries that buy more U.S. exports than they sell to the U.S. at a 10% tariff, and is increasing tariffs from 10% to somewhere between 15% and 41% for countries that have trade deficits with the U.S., with a notable exception—Nicaragua, which will remain at 10%.

The changes to current 10% emergency tariff rates will take effect in seven days, though goods that are loaded onto a vessel at the port of loading and in transit on the final mode of transit before 12:01 a.m. EDT on Aug. 7 won't face the higher tariffs if they arrive before Oct. 5.

The Falkland Islands, the U.K., Colombia, Peru, Chile, Australia, Guatemala, El Salvador, Jamaica, Haiti, Kenya and Ethiopia are among those that remain at 10%.

The executive order said some trading partners "have agreed to, or are on the verge of agreeing to, meaningful trade and security commitments with the United States," others "despite having engaged in negotiations, have offered terms that, in my judgment, do not sufficiently address imbalances in our trading relationship or have failed to align sufficiently with the United States on economic and national-security matters," and some did not negotiate at all.

The order said that some countries will face higher tariffs until they conclude agreements, and the president issues orders memorializing those terms.

The EU got a more generous deal than did Japan, as Japanese goods will have the most favored nation duty plus 15%, and the EU will have either the MFN rate and a percentage that adds up to 15%, or in the case of goods whose MFN duty is above 15%, the original MFN will apply.

South Korea, which also has a 15% rate, didn't get the EU deal, either. However, the U.S. already had zeroed out many tariffs for that country under the terms of its 2012 free-trade agreement.

While many countries received somewhat lower rates than announced in April, Switzerland was given a 39% rate, rather than the 31% rate announced in April.

The order said that any good that CBP determines is transshipped will be subject to a 40% tariff rate on top of MFN.

Any country that is not in the list will receive a 10% rate. The technical language with the new tariff numbers is here.

US to End de Minimis Exemption for All Countries Aug. 29

The ability to import low-value packages duty-free will end for goods from around the world on Aug. 29, the president declared in an executive order July 30.

Starting at 12:01 EDT that day, all low-value packages that previously qualified for de minimis will have to have an ACE entry by a party qualified to make such entry, and the importer will have to pay duties and fees.

If the packages are coming through the international mail, however, importers can either pay the duties owed or a flat fee of $80 per item for goods from countries that have reciprocal tariffs of less than 16%, $160 for goods from countries with rates between 16% and 25%, and $200 per item for goods from countries with reciprocal tariffs of above 25%. That alternative methodology will be available for six months.

In an emailed fact sheet, the White House said that the volume of de minimis shipments this year has "skyrocketed," even after Chinese goods were made ineligible for the privilege. It said that from Oct. 1, 2024, through June 30, 2025, there have been 309 million packages sent that way; however, if that number is accurate, that is a steep decline from the previous year, when 1.36 billion packages claimed de minimis.

A White House spokesperson didn’t immediately respond to a request for clarification.

The fact sheet said “CBP is increasingly interdicting *de minimis* shipments where the certificate of origin is misrepresented in an attempt to circumvent duties."

The executive order noted that the original plan to eliminate commercial de minimis was in the orders related to fentanyl and migration, and said that it’s also needed to make sure that reciprocal tariffs aren’t evaded.

"Many shippers go to great lengths to evade law enforcement and hide illicit substances in imports that go through international commerce. These shippers conceal the true contents of shipments sent to the United States through deceptive shipping practices. Some of the techniques employed by these shippers to conceal the true contents of the shipments, the identity of the distributors, and the country of origin of the imports include the use of re-shippers in the United States, false invoices, fraudulent postage, and deceptive packaging,” the order said. “The risks of evasion, deception, and illicit-drug importation are particularly high for low-value articles that have been eligible for duty-free *de minimis*treatment."

The order said if any of the actions taken under the International Emergency Economic Powers Act—on fentanyl or reciprocal tariffs—"are held to be invalid, the suspension of, or continued suspension of, duty-free *de minimis* treatment, as detailed in this order, shall not be affected."

The order says that under IEEPA, the president has the authority to “'nullify’ or ‘void’ exercising any right ... or privilege with respect to ... any property,” and that can be used to suspend de minimis treatment.

Transportation carriers that are delivering postal packages from abroad must collect and remit the duties, the order says, and they must apply the flat fee or the Harmonized Tariff Schedule-based tariffs across all covered shipments, but can change its approach once a month, “or on another schedule determined to be appropriate by CBP, upon providing at least 24 hours’ notice to CBP."

CBP will require an importation and entry bond for informal entries, and international carrier bonds, the order said.

The National Council of Textile Organizations thanked Trump for the action.

"For eight years, NCTO has led critical efforts to close the de minimis backdoor pipeline for cheap, subsidized, and often illegal, toxic and unethical imports—half of which are estimated to be textiles and apparel,” the group said. —***Mara Lee***

Red Snapper and Tuna Country of Origin Testing Bill Passes Senate

The Senate passed a bill that directs the National Institute of Standards and Technology and the National Oceanic and Atmospheric Administration to develop a methodology to identify the country of origin of imported red snapper and some tuna species. The goal is for CBP to be able to confiscate illegally caught red snapper and tuna at the time of import.

The Illegal Red Snapper and Tuna Enforcement Act is a bipartisan bill from Sens. Ted Cruz, R-Texas, Brian Schatz, D-Hawaii, Roger Wicker, R-Miss., and the two from Alabama, both Republican.

"Hardworking Texas fishermen in the Gulf of America are being undercut by cartel-backed entities who illegally catch and smuggle red snapper into U.S. markets, using profits to fund other illicit activities. I am proud to lead the fight on this bipartisan legislation to crack down on these corrupt operations, stand up for Texas fishermen, and protect our communities. Now, it’s time for the House to act and help us put an end to this illegality,” Cruz said in a July 14 press release.

The concern is that Mexican fishermen catch red snapper in U.S. waters, then export the haul across land borders to the U.S.

CBP Announces FY 2026 Adjustments to Customs User Fees

CBP is adjusting certain customs user fees for FY 2026 that fall under Consolidated Omnibus Budget Reconciliation Act (COBRA) adjustments, it said in a *Federal Register* notice. Fees will be increased by 34.331% to adjust for inflation, it said.

These fees have been set by the Fixing America's Surface Transportation Act, which calls for adjusting certain customs COBRA user fees to reflect increases in inflation. The fees include commercial vessel arrival fees, commercial truck arrival fees, railroad car arrival fees, private vessel arrival fees, private aircraft arrival fees, commercial aircraft and vessel passenger arrival fees, dutiable mail fees, customs broker permit user fees, barge and other bulk carrier arrival fees, and merchandise processing fees.

FY 2026 starts Oct. 1.

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