

[View in browser](#)

SCOTUS Strikes Down IEEPA Tariffs; Administration Announces Section 122 Global Tariff

The Supreme Court on Feb. 20 [held](#) that the International Emergency Economic Powers Act (IEEPA) does not grant the president authority to impose tariffs. In a 6–3 decision, the Court ruled that while IEEPA allows the president to regulate importation in response to unusual or extraordinary threats, it does not confer tariff-setting authority.

Chief Justice Roberts, writing for the majority, stated that if Congress intended to provide tariff authority under IEEPA, it would have done so expressly, as it has in other trade statutes. The Court affirmed the decision of the U.S. Court of Appeals for the Federal Circuit and remanded the matter to the Court of International Trade to determine whether a nationwide injunction may be issued against tariffs imposed under IEEPA.

Administration Response: Section 122 Global Tariff

Following the ruling, President Trump announced that he will impose a 10% global tariff under Section 122 as a replacement mechanism. During a White House [press briefing](#), the president stated he will sign an executive order to impose a 10% global tariff under Section 122, in addition to existing tariffs already in effect. The administration also indicated it will initiate several Section 301 and related investigations aimed at addressing unfair trade practices by foreign countries and companies. The president stated he will not seek congressional approval for new tariff authorities.

EXTREMELY IMPORTANT – Refund Process & ACE Registration

In light of the Supreme Court decision overturning the IEEPA emergency tariffs, if refunds are processed, U.S. Customs and Border Protection (CBP) will issue them electronically only.

Importers must establish an ACE account and ensure banking information is properly added within ACE in order for refunds to be automatically deposited. To begin the ACE application process, please visit the [Importer Form](#).

What This Means for Importers

Importers should prepare for immediate operational and financial impacts. While the IEEPA tariffs have been invalidated, the proposed 10% global tariff under Section 122 may create new cost exposure across a broad range of products. Companies should review current entries, duty payments, and potential refund eligibility related to the IEEPA tariffs. At the same time, importers should evaluate pricing strategies, supply chain sourcing, and contractual obligations in anticipation of the Section 122 tariff implementation.

Further guidance is expected as enforcement details are released. We recommend monitoring developments closely and consulting with your customs broker and trade counsel to assess risk exposure and compliance strategy.

[View Our Latest Updates](#)

Get a Quote

American Shipping Company, 250 Moonachie Road, Moonachie, NJ 07074, USA

[Unsubscribe](#) [Manage preferences](#)