## Chronological Digest of the Recent Tariffs as of March 21, 2025

## I. Introduction

President Trump has imposed tariffs and promised additional tariffs to achieve an array of policy goals, including: (1) boosting domestic production and manufacturing; (2) stimulating foreign investment in the U.S.; (3) generating revenue to reduce the deficit and pay for tax breaks; and (4) to persuade other nations to do more to address the flow of undocumented immigrants and illegal narcotics into the United States. Below is an overview of the President's recently imposed tariffs, impending tariffs, and some trade investigations that may also impact the price and availability of materials on which MCAA contractors, service companies, and manufacturers rely.

All of these actions are grounded in the Presidential Memorandum entitled "*America First Trade Policy*" that President Trump signed within hours of being sworn in to office on **January 20, 2025**. This Memorandum directs the Secretaries of Commerce and Treasury, the United States Trade Representative, the Director of the Office of Management and Budget, and the Secretary of Homeland Security to deliver to the President on **April 1, 2025** over two dozen "reviews and investigations, findings, identifications, and recommendations" on trade related matters. These include recommendations from the Secretary of Commerce, in consultation with the Treasury Secretary and the U.S. Trade Representative on "the causes of our country's large and persistent annual trade deficits in goods, as well as the economic and national security implications and risks resulting from such deficits, and [recommendations on] appropriate measures, such as a global supplemental tariff or other policies, to remedy such deficits."

## II. Overview of Tariffs on China, Canada and Mexico

On **February 1st, 2025**, President Trump signed three executive orders imposing tariffs on almost all imports from Canada, Mexico, and China. These orders were unprecedented insofar as they are the first time a U.S. president has used the International Emergency Economic Powers Act (IEEPA) to impose tariffs. These tariff orders are far more expansive in scale and scope than trade remedy measures the U.S. has previously used. These include:

- Section 301 of the Trade Act of 1974 that President Biden used to impose tariffs on China in October 2022 and May 2024 and that President Trump used to impose tariffs on China during his first term; and
- Investigations under Section 232 of the Trade Expansion Act of 1962 that may result in import restrictions on certain goods based on national security implications.

***A. President Trump's China Tariffs***

- On **February 4th**, President Trump's initial 10% percent tariffs on all Chinese imports became effective. China announced countermeasures the same day.

- On **February 5th**, President Trump amended his China tariffs to permit duty-free entry of goods valued below the *de minimis* $800 threshold under 19 U.S.C. 1321 until the Secretary of Commerce certifies that there are adequate systems in place to fully and expediently process and collect tariff revenue on such *de minimis* goods.

- On **February 10th**, new Chinese tariffs of 15% took effect on coal and liquefied natural gas products imported from the U.S., as well as a new 10% levy on crude oil, agricultural machinery, and large-engine cars imported from the U.S.

- On **March 3rd**, President Trump signed an executive order doubling the tariff on Chinese imports from 10% to 20%.

***B. President Trump's Tariffs on Canada and Mexico***

- After President Trump delayed tariffs on Canada and Mexico for one month, on **March 4th**, 25% tariffs on imports from Canada and Mexico went into effect, but tariffs on Canadian energy products were limited to 10%.

- On **March 2nd**, President Trump revised his tariffs on Canada and Mexico to permit duty-free entry of goods valued below the *de minimis* $800 threshold under 19 U.S.C. 1321 until the Secretary of Commerce certifies that there are adequate systems in place to fully and expediently process and collect tariff revenue on such *de minimis* goods.

- On **March 6th**, President Trump signed two executive orders granting a reprieve from the new tariffs on Canadian and Mexican goods for certain auto parts necessary to prevent disruption of U.S. vehicle manufacturing. The executive orders also reduced the tariff on Canadian and Mexican potash from 25% to 10%.

- On **March 6th**, President Trump also temporarily paused until **April 2nd** the 25% tariffs on imports from Canada and Mexico for products compliant with the country-of-origin standards allowing duty-free entry of goods under the U.S., Mexico, Canada Free Trade Agreement (the USMCA) such that there are:
    - 25% tariffs on goods that do not satisfy USMCA country-of-origin rules.

- A lower 10% tariff on those energy products imported from Canada that fall outside the USMCA preference.
- A lower 10% tariff on any potash imported from Canada and Mexico that falls outside the USMCA preference.
- No tariffs on those goods from Canada and Mexico that claim and qualify for USMCA preference.

***C. President Trump's Steel and Aluminum Tariffs***

- On **February 10th**, President Trump issued a proclamation increasing from 10% to 25% the tariffs he previously imposed on steel imports in 2018.

- On **February 11th**, President Trump issued a proclamation increasing from 10% to 25% the tariffs he previously imposed in 2018 on aluminum imports.
  - These proclamations eliminated numerous country-specific exceptions to the 2018 steel and aluminum tariffs President Trump imposed during his first term.
  - Throughout his term, President Biden kept in place the 2018 tariffs President Trump imposed on steel and aluminum.

- On **March 12th**, President Trump's 25% tariffs on all steel and aluminum imported into the U.S. took effect with no country-specific exceptions.
  - Thirty-five percent of U.S. steel originates outside the U.S. and 90% of U.S. aluminum originates outside the U.S.
  - Both the European Union (EU) and Canada announced countermeasures. The EU countermeasures include new tariffs on $28 billion of U.S. goods, including home appliances. The EU tariffs will be phased in on **April 1st** and fully in place **by April 13th**.
  - On **March 20th**, The EU announced a delay to its phase 1 tariffs **from April 1st until April 13th**, such that both phases would begin at this later date to give "time for additional discussions with the U.S. Administration."

## IV. President Trump's Global Reciprocal Tariffs

- On **February 13th**, President Trump announced that he will impose global "reciprocal" tariffs to match any tariff rates imposed by any other nation on a U.S. product.
  - These reciprocal tariffs are scheduled to begin **April 2nd**.
  - **April 2nd** is the same day that the pause on 25% tariffs for USMCA-compliant imports from Mexico and Canada is scheduled to end.

  - As recently as **March 13th**, President Trump pledged that he would not back down from imposing global reciprocal tariffs.

- On **March 14th**, the U.S. State Department published a notice in the *Federal Register* announcing that the Secretary of State has determined – pursuant to President Trump's January 20, 2025 Executive Order (EO) 14150 "America First Policy Directive to the Secretary of State" – that "all efforts, conducted by any agency of the federal government, to control the status, entry, and exit of people, and the transfer of goods, services, data, technology, and other items across the borders of the United States, constitute a 'foreign affairs function of the United States" under the Administrative Procedure Act" (APA) exemption from the APA's notice and comment requirements and the APA's "on the record" adjudication requirements for quasi-judicial agency adjudications. It is unclear at this time how Secretary Rubio's broad interpretation of this exemption from procedural and transparency requirements of the APA may be used to advance additional global or country-specific actions on the flow of goods into and out of the U.S.

## V. Congressional Response

Several members of the House and Senate have expressed concerns about the impact of President Trump's tariffs on equity markets, the overall economy, and individual industries—particularly U.S. agriculture. House and Senate Democrats have been more willing to forcefully condemn President Trump's tariff actions.

- On **March 5th**, Senators Tim Kaine (D-VA), Ranking Member of the Senate Foreign Relations Subcommittee on the Western Hemisphere, along with Sens. Amy Klobuchar (D-MN) and Mark R. Warner (D-VA), introduced a resolution of disapproval under the International Emergency Economic Powers Act (IEEPA) to terminate the emergency President Trump declared as the basis for tariffs against Canada, but not Mexico.
  - The IEEPA allows Congress to introduce a Privileged Resolution to terminate emergencies declared by the President under the Act, which must be discharged from Committee within 15 days so that it can be brought to a vote.

- On **March 6th**, in the U.S. House of Representatives, senior Democrats on several important committees went further by introducing two resolutions of disapproval under the IEEPA to terminate the emergency declarations President Trump used to justify tariffs on both Canada and Mexico.
  - The resolutions were led by Representative Gregory W. Meeks (D-NY), Ranking Member of the Foreign Affairs Committee, and cosponsored by Representatives Richard Neal (D-MA), Ranking Member of the Ways and

Means Committee; Rick Larsen (D-WA), Ranking Member of the Transportation & Infrastructure Committee; and Representatives Joaquin Castro (D-TX), Suzan DelBene (D-WA); and Greg Stanton (D-AZ).

- But on **Tuesday, March 11th**, House Republican leadership inserted a roadblock to this effort in the rule passed to bring to a vote the continuing resolution funding the government for the remainder of the fiscal year. This rule declares that the remaining days in the first session of the 119th Congress do not qualify as calendar days for purposes of the 15-day deadline to bring a resolution of disapproval under the IEEPA to a vote.

## VI. Pending Trade Investigations That May Impact Prices and Constrain Supply

### *A. Section 232 National Security Investigations into Copper Imports and Timber and Lumber Imports*

- On **February 25th**, President Trump signed an executive order on copper instructing the Commerce Department to consider whether a tariff on imported copper is needed to protect national security, citing the importance of copper to U.S. defense, infrastructure, and emerging technologies.

- On **March 13th**, the U.S. Department of Commerce Bureau of Industry and Security requested public comments on several issues related to the Section 232 national security review of copper imports directed by President Trump. The deadline for comments is **April 1st**.

- On **March 1st**, President Trump signed an executive order on lumber and timber instructing the Commerce Department to consider whether tariffs on lumber and timber are necessary to protect national security.

- On **March 13th**, the U.S. Department of Commerce Bureau of Industry and Security requested public comments on several issues related to the Section 232 national security review of timber and lumber imports directed by President Trump. The deadline for comments is **April 1st**.

### *B. Section 301 Investigation of China's Maritime, Logistics, and Shipbuilding Sectors*

On **February 27th**, the United States Trade Representative (USTR) requested public comments and announced a public hearing on **March 24th** on several proposed retaliatory actions the U.S. may take in connection with the Section 301 investigation of China's targeting of the maritime, logistics, and shipbuilding sectors for dominance. Written comments are due **March 24th** and requests to appear at the public hearing had to be made by **March 10th** along with a summary of the requestor's proposed testimony.

- The Biden Administration initiated this Section 301 investigation in March 2024 in response to a petition from the IBEW, Boilermakers, Steelworkers, IAM, and AFL-CIO Maritime Trades Department alleging that China engages in a wide range of policies and practices that given it unfair advantages across shipbuilding, shipping, maritime equipment, and other maritime industries at the expense of the U.S. commerce.
- The remedies on which President Trump's USTR is seeking comments and that will be discussed at the public hearing were recommended in a **January 16th** report issued by President Biden's USTR. They include:
  - New service fees on Chinese maritime transport operators moving goods into and out of U.S. ports.
  - New service fees on non-Chinese maritime transport operators moving goods into and out of U.S. ports with fleets comprised of Chinese-built vessels.
  - New service fees on maritime transport operators moving goods into and out of U.S. ports with prospective orders for Chinese vessels to be built by Chinese shipyards.
- The World Shipping Council is warning that the remedies USTR is considering would:
  - Impact $1 trillion of goods imported into the U.S.
  - Double the cost to ship goods shipped to the U.S.
  - Add $600–$800 per container (TEU) for goods moving in and out of the U.S.
  - Cause 98% of all U.S. port calls to be subject to the proposed fees because they apply not only to Chinese-built ships but also to any operator with a Chinese-built vessel in its fleet or with a vessel on order from a Chinese shipyard.
  - Result in fewer port calls; particularly to medium and small U.S. ports.
  - Lead to an additional "tax" on American consumers of up to $30 billion annually.

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