

FACT SHEET ON TARIFFS

Updated: May 29, 2025

Tariff update: Court blocks Trump tariffs

The U.S. Court of International Trade (CIT) ruled against President Donald Trump's use of emergency powers to impose tariffs.

On May 28, 2025, the CIT struck down President Trump's use of the International Emergency Economic Powers Act (IEEPA) to impose reciprocal and fentanyl tariffs. The ruling requires the White House to vacate duties issued on "Liberation Day" (April 2) on all countries, as well as fentanyl tariffs on Mexico, Canada, and China. These include the country specific "reciprocal tariffs" which were lowered to 10 percent across the board for most countries.

The court's unanimous decision stated that the IEEPA does not grant the president unilateral authority to impose tariffs on every country, emphasizing that Congress has the authority to regulate commerce with other nations. The decision was a summary ruling of two cases: *V.O.S. Selections v Trump* and *Oregon v Trump*, with all three judges ruling in favor.

The Department of Justice has already filed a notice of appeal to the Federal Circuit and may ask the Supreme Court to keep the tariffs in place during further litigation. A decision from the Federal Circuit could take several months to over a year, with potential involvement from the Supreme Court extending the timeline further.

Section 232 and Section 301 tariffs on specific products, such as autos, steel, and aluminum, remain in place.

What this means for IFPA members: It is unclear if or when the tariffs will stop being collected. The ruling gave the administration 10 days to start phasing them out, but the Trump administration immediately appealed to the U.S. Court of Appeals for the Federal



Circuit. If all courts uphold the ruling, businesses which have had to pay tariffs may be eligible to receive refunds on the amounts paid.

IFPA will continue to monitor the situation and provide updates as more information becomes available.

Updated: May 12, 2025

On May 10–11, 2025, the US Trump administration met with representatives from the Peoples Republic of China (PRC) in Geneva, Switzerland, and agreed to temporarily slash tariffs each by 115 percent.

In a [joint statement](#), the countries announced they would suspend their respective tariffs for 90 days, starting May 14, 2025, while they continue the negotiations. As part of the agreement, the PRC will lower its import duty on American goods from 125 percent to 10 percent and the United States will reduce tariffs on Chinese imports from 145 percent to 30 percent but will retain all duties imposed on China prior to April 2, 2025.

Please find additional information in the US White House's [fact sheet](#).

In addition, on May 7, 2025, the European Commission published another draft list of US imports that could become subject to additional European Union countermeasures in response to US tariffs on cars and reciprocal tariffs, should the EU-US talks fail to yield results by early July.

The EU opened a public consultation open until June 10, 2025, for stakeholders affected by the proposed measures currently being considered by the European Union.

General Background

- On April 2, 2025, President Trump issued an executive order imposing:
 1. **A 10% baseline reciprocal tariff on nearly all U.S. trading partners**, effective April 5.
 2. **57 countries will be subject to country-specific reciprocal tariff** levels, postponed 90 days until July 9, 2025—[details on country-specific tariffs](#).
- Goods compliant with the U.S.- Mexico- Canada Agreement (USMCA) will continue to receive preferential treatment and are exempt from the baseline reciprocal tariffs. Specialty crops are covered under USMCA, which exempts produce from duties. **No reciprocal tariffs apply to specialty crops (e.g., fresh produce) products from Canada and Mexico.**



- **NOTE:** The baseline and county-specific **Reciprocal tariffs are NOT additive.**
- Effective April 5, nearly all countries will pay a 10% baseline reciprocal tariff.
- On April 8, 2025, the 57 countries with specific reciprocal tariffs have been paused for 90 days.
- However, the reciprocal tariffs are additive for some pre-existing tariffs under other authorities such as tariffs on steel, aluminum, and automobiles, which remain in place. Consult with a customs professional or legal counsel to determine these impacts.
- More information from U.S. Customs and Border Patrol (CBP) can be found [here](#).
- **De minimis treatment is eliminated for all low-value imports from China and Hong Kong, effective May 2.** Therefore, products valued at \$800 or less will be inspected and subject to a tariff upon entry into the U.S. as [updated](#) on April 9, 2025.

Summary

President Trump's recent executive order, known as the Reciprocal Tariffs Executive Order, imposed a *10% baseline reciprocal tariff on nearly all U.S. trading partners, effective April 5*. An [additional reciprocal tariff set to be imposed on 57 countries](#), effective April 9, were [postposed](#) for 90 days on April 9, 2025. President Trump invoked the International Emergency Economic Powers Act (IEEPA) to justify the imposition of these tariffs.

The remaining top trading partners, Canada and Mexico, are exempt from reciprocal tariffs. The pre-existing 10–25% tariff on goods from Canada and Mexico remains in effect for some products. However, *goods subject to the U.S.– Mexico– Canada Agreement (USMCA)* will continue to receive preferential treatment and remain *exempt from the new tariffs. Specialty crops, including fresh produce, are USMCA-compliant and exempt from duties.*

The pre-existing Section 232 tariffs remain in effect, encompassing a range of items across various categories, with [specific products exempted](#). Notable exemptions include pharmaceuticals and certain chemicals, such as those used in pesticides and crop inputs; semiconductor products; and minerals, including copper, gold, and rare and critical minerals that are not domestically produced, as well as products used for fertilizers and crop inputs.

Additionally, President Trump took action to eliminate de minimis treatment for low-value imports. Through a separate [executive order](#), he ended de minimis treatment for imports from China and Hong Kong, effective May 2. The termination date for de minimis treatment for low-value imports from other countries will be determined later.



China

Between April 2 and 9, 2025, tariffs on Chinese exports (including from Hong Kong and Macau) to the U.S. were increased from 34%, [84%](#) and finally [125%](#), for an effective tariff rate of 145% on many goods.

In response, on April 9, 2025, China [announced](#) retaliatory tariffs of 84% from on US exports effective April 10, 2025. There has not been official reaction to the U.S. raising tariffs to 125% from the People's Republic of China.

In 2023, bilateral trade in fruit was worth over \$1 billion (USD) and bilateral vegetables trade was worth nearly \$700 million (USD). For more information on US-China bilateral trade please see IFPAs [overview](#).

On April 9, 2025, U.S. President Donald Trump announced in a [Truth Social](#) post that tariffs on Chinese exports to the US will increase an additional 125% for an effective tariff rate of 145% on many goods.

European Union (EU)

On April 9, 2025, the European Union's Member States in the Council of the EU [approved](#) commercial rebalancing measures against the U.S. in response to the U.S. announced tariffs on April 2, 2025. The EU's tariffs on U.S. goods cover broad product categories including coffee, ice cream, soybeans, rice, spices, and some [fresh produce and nuts](#).

The EU retaliatory tariffs were set to phase in starting on April 15, 2025, but were [postponed for 90 days](#) by the European Commission to allow time for negotiations with the U.S.

IFPA continues to advocate that fresh produce and floral should be excluded from any new tariffs and countermeasures and [submitted formal comments](#) to the EU in March 2025.

