



FAQ: President Trump's Tariffs on Mexico, Canada, and China

When will the tariffs go into effect?

The tariffs will go into effect on February 4, 2025 beginning at 12:01 a.m. EST.

What tariffs are being implemented on Canada?

President Trump imposed a 25% tariff on most goods imported from Canada. However, Canadian energy resources will only face a 10% tariff.

Is there an exception for Canadian oil and energy products?

No, but Canadian energy resources, such as oil and natural gas, will be subject to a 10% tariff, which is lower than the standard 25% tariff applied to other goods from Canada.

What tariffs are being implemented on Mexico?

A 25% tariff will be imposed on goods imported from Mexico.

What tariffs are being implemented on China?

A 10% tariff will be levied on goods imported from China. This is on top of other existing tariffs imposed pursuant to, for example, Section 301 of the Trade Act of 1974. Those tariffs range from 7.5-25%.

Why are these tariffs being implemented?

The United States is facing a national emergency related to the illegal aliens and drugs pouring over our borders. Canada, Mexico, and China have all been complicit in enabling this crisis.

How can these tariffs be lifted?

If, in the eyes of the Trump Administration, sufficient action is taken to alleviate the crises identified in the orders, the tariffs shall be removed.

What happens if these countries retaliate against the United States through their own use of tariffs?

In the event of retaliation, President Trump may increase or expand in scope the existing tariffs in order to ensure the efficacy of this action and protect U.S. interests.

Will there be an impact on U.S. consumers?



During his first term, President Trump effectively implemented tariffs. While media pundits predicted that tariffs would cause inflation and recession, what we actually saw was prosperity and a renaissance in American manufacturing. The average inflation rate during President Trump's first term was 1.9%, and he left office with an inflation rate of just 1.4%. The steel tariffs that President Trump imposed led to thousands of job gains in the metal industry, along with higher wages for American workers. Additionally, President Trump's tariffs were instrumental in bringing China to the table for the Phase 1 Trade Deal, which the Biden Administration recklessly allowed China to ignore.

Will the tariffs replace existing tariffs or be additive?

The new International Emergency Economic Powers Act (IEEPA) tariffs are in addition to any other tariffs imposed pursuant to other authorities.

Will low value shipments otherwise qualifying for the *de minimis* exemption still have to pay the tariffs?

Yes. The order terminates duty-free *de minimis* treatment under 19 U.S.C. 1321 for articles subject to these new tariffs. This is a major step forward towards closing the economies loophole, which has been known to be a key vector for tariff evasion and the importation of fentanyl and precursors.

How does this affect the President's trade agreement with Canada and Mexico (USMCA)?

The provisions of USMCA do not override valid U.S. law, which includes IEEPA. USMCA also contains a national security exception allowing a party to derogate from its obligations in order to protect its national security.