

Federal Court Strikes Down Trump's Border Emergency and Global Tariffs

by Justin T. Huff, T. Augustine Lo, Dave Townsend, and Lawrence Ward

President Trump exceeded his emergency authority when he imposed tariffs on Canadian, Chinese, and Mexican origin goods citing border issues, and global reciprocal tariffs the U.S. Court of International Trade ("CIT") said on Wednesday, May 28, 2025. The CIT held that the International Emergency Economic Powers Act ("IEEPA") does not allow the imposition of tariffs on imports from all countries, as implemented by the Trump Administration. As a result, the CIT ordered the U.S. Government to stop collecting IEEPA tariffs, and to implement the order within ten days, i.e., by June 7, 2025. The CIT issued this opinion in the case, *V.O.S. Selections, Inc v. United States*, CIT Slip Opinion 25-66, which is available [online](#). The U.S. Government immediately appealed the decision to the U.S. Court of Appeals for the Federal Circuit ("CAFC"), and the CAFC issued a temporary stay the next day to block the enforcement of the CIT judgment as it considers some preliminary issues. Separately, the U.S. District Court for the District of Columbia issued a similar ruling striking down the IEEPA tariffs on May 29, 2025 in *Learning Resources, Inc. v. United States*.

In issuing its opinion, a three-judge panel of the CIT permanently enjoined the U.S. Government's collection of tariffs under IEEPA. The CIT said the IEEPA tariffs were not merely enjoined for plaintiffs but for all U.S. importers because the tariffs "are unlawful as to all." As a result, the CIT issued a judgment that declared the IEEPA tariff orders to be invalid; ordered the United States to stop collecting IEEPA tariffs; and directed the U.S. Government to issue new implementing orders by June 7, 2025.

As a justification for its decision, the CIT found that IEEPA did not authorize President Trump to take executive action imposing tariffs on global imports into the United States. In particular, the plaintiffs in the case alleged that President Trump exceeded his IEEPA authority in issuing executive orders imposing tariffs to address fentanyl trafficking from Canada, China, and Mexico. The CIT said those orders were invalid because the imposition of tariffs "do not deal with the threats set forth in those orders." In addition, the

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plaintiffs in the case alleged that the executive order to address persistent trade deficits by imposing global reciprocal tariffs likewise was illegal. The CIT agreed with this claim too, finding that IEEPA does not permit the President to impose tariffs on imports to address persistent trade deficits.^[1]

Almost immediately, the United States appealed the CIT decision to the U.S. Court of Appeals for the Federal Circuit, and filed a motion in the CIT to stay the judgment pending the appeal. It remains to be seen whether the CIT order halting the imposition of tariffs may be only temporarily in effect, or may be reduced in scope, whether through the CIT motion or on appeal. The CAFC's interim stay in the appellate case also clouds the timing for any termination of tariff collections and enforcement under the CIT decision.

Dorsey & Whitney has experienced attorneys closely monitoring the *V.O.S. Selections, Inc v. United States* case and U.S import tariffs. Please contact one of the attorneys below if you have questions.

^[1] We previously discussed the Trump Administration's IEEPA tariff actions, in our eUpdates published in February, March, April, and earlier this May of 2025.