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The Supreme Court Update - February 20, 2026

by Andrew Brantingham, Ian Blodger, Jessica M. Leano, and Brock Huebner

On February 20, 2026, the Supreme Court of the United States issued one decision:

Learning Resources, Inc, v. Trump, No. 24-1287: This case addresses whether the International Emergency Economic Powers Act ("IEEPA") authorizes the President to impose tariffs. Shortly after taking office, President Trump imposed tariffs to address two foreign threats—the influx of illegal drugs from Canada, Mexico, and China; and large and persistent trade deficits. These tariffs initially set a 25% duty on most Canadian and Mexican imports, a 10% duty on most Chinese imports, and a duty of 10% "on all imports from all trading partners." Many of these tariffs have been modified following their initial imposition. In implementing these tariffs, President Trump invoked his authority under the IEEPA, which gives the President the authority to "regulate . . . importation" to address an "unusual and extraordinary threat" to American national security, foreign policy, or the economy, originating primarily "outside the United States." 50 U.S.C. § 1702(a)(1)(B); 50 U.S.C. § 1701(a). Plaintiffs—two groups of small businesses and twelve States—initiated two lawsuits alleging the IEEPA does not authorize the tariffs President Trump imposed. The district courts agreed, and the Federal Circuit, reviewing one of the cases, affirmed *en banc.*

In a fractured decision authored by Chief Justice Roberts, the Supreme Court held the IEEPA does not authorize the President to impose tariffs. The Court noted that the Constitution does not vest any part of the taxing power in the President, and that the power to impose tariffs is "a branch of the taxing power." The Court held that the power to "regulate . . . importation" as authorized by the IEEPA does not give the President the power to tax, analogizing to similar statutes where an executive agency has the power to regulate, but not to tax. Had Congress intended to grant the President the power to impose tariffs at his sole discretion, the Court stated that it would have done so "clearly and with careful constraints."

In a non-precedential portion of the opinion, Chief Justice Roberts wrote, joined by

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Justices Gorsuch and Barrett, that the major questions doctrine supported the Court's decision. Justices Gorsuch and Barrett each concurred with the Court's opinion in full but wrote separately to address their view on the major questions doctrine. Justice Kagan, joined by Justices Sotomayor and Jackson, concurred in the precedential portion of the Court's decision, and concurred in its judgment. Justice Kagan wrote separately to address the major questions doctrine. Justice Jackson wrote separately to address the legislative history of the IEEPA. Justice Kavanaugh, joined by Justices Thomas and Alito, filed a dissenting opinion arguing that the IEEPA's statutory text authorizes the President to implement tariffs. Justice Thomas also wrote a separate dissent to explain his view that the dissent's interpretation of the statute is consistent with the separation of powers.

View the Court's decision.