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Trump Administration Proposes New Section 301 Tariffs

June 5, 2026 – Cross-Border Counselor
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On June 1st, President Trump issued a Proclamation to adjust the Section 232 duties on derivative goods made of aluminum, copper, and steel, which are generally set at 50%. Goods that are eligible for preferential treatment under the U.S.-Mexico-Canada Agreement ("CUSMA" or "USMCA") will be subject to a lower 25% duty rate with respect to the non-U.S. content, with a minimum duty rate of 15% ad valorem. This reduced rate will be in effect from 8 June 2026 through 31 December 2027.

On June 2nd, the Office of the U.S. Trade Representative ("USTR") issued a Section 301 report that accused Canada of insufficiently enforcing its import ban against forced labor products, which USTR found to burden or restrict U.S. commerce. USTR proposed a 10% tariff on Canadian goods to address this issue, with exemptions for CUSMA/USMCA compliant goods and articles or parts of articles that are subject to Section 232 tariffs. There is an opportunity to submit public comments on this tariff proposal that closes on 6 July 2026.

The Trump Administration's announcements on U.S. import tariffs that affect Canadian goods are summarized more completely in this Dorsey e-Update.

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