

U.S. Supreme Court Strikes Down Trump Emergency Tariff Actions

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

On February 20, 2026, the U.S. Supreme Court issued a 6-3 majority opinion in two related cases that struck down several of President Trump's signature tariff actions during his second term that cited the International Emergency Economic Powers Act ("IEEPA"). The Court's majority opinion vindicates the plaintiffs in these cases substantively, but there remains ambiguity whether U.S. Customs and Border Protection ("CBP") will stop collecting the IEEPA tariffs before the U.S. Court of International Trade ("CIT") reconsiders its grant of a nationwide injunction. It is also uncertain whether CBP will issue tariff refunds to importers who have not filed their own tariff lawsuits in the CIT to challenge these tariff actions. All eyes will turn to the lower court proceedings, the Trump Administration, and CBP to see how they interpret the scope and impact of the Court's judgment.

Citing his powers under IEEPA, President Trump imposed tariffs on Canadian, Chinese, and Mexican origin products and a global "reciprocal tariff" on the products of nearly all nations. The Court's ruling affirms an earlier judgment of the Federal Circuit in the *V.O.S. Selections* case, which invalidated these IEEPA tariff actions, but which also reversed the lower court's nationwide remedy for not following the correct legal framework.

Writing for the majority, Chief Justice John Roberts stated, "Our task today is to decide only whether the power to 'regulate ... importation,' as granted to the President in IEEPA, embraces the power to impose tariffs. It does not." The Court's opinion did not address any further proceedings that may be necessary for importers to obtain refunds of the IEEPA tariffs paid to date. It appears that the CIT must reconsider whether a nationwide remedy as to the IEEPA tariffs is appropriate, and it may clarify the methods for importers to obtain refunds.

As we previously reported in [May](#) and [September](#) eUpdates, the Federal Circuit issued a decision in the *V.O.S. Selections* case in August 2025 that affirmed in part the CIT judgment. The Federal Circuit agreed that IEEPA does not authorize the challenged IEEPA tariff actions but found that the CIT did not apply the correct legal standard to

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issue a universal injunction that benefited all importers, regardless of whether they are plaintiffs in the case. The Federal Circuit, citing *Trump v. CASA*, specifically noted more recent U.S. Supreme Court precedent that disfavored universal injunctions.

In September 2025, the U.S. Supreme Court granted a writ of certiorari to hear appeals of both the V.O.S. *Selections* case and a parallel decision in the *Learning Resources* case in the D.C. Circuit that similarly struck down the IEEPA tariff actions. The Court heard oral arguments in November 2025, and the Court's decision had been eagerly awaited since then. During this interim period, numerous importers filed their own lawsuits in the CIT to secure their rights to tariff refunds in the event that the court decisions do not apply to them. To address this wave of lawsuits, the CIT issued a stay on these cases pending the U.S. Supreme Court's decision.

The Trump Administration has stressed continuity in U.S. tariff policy regardless of the Court's decision in this case. Aside from IEEPA, there are other trade laws that could lead to the imposition of import tariffs, but which generally are narrower in scope and require additional procedures and possibility for public input. The Trump Administration may turn to these other laws to impose tariffs in the wake of the Court's decision. Immediately following the Court's ruling, the Trump Administration announced plans to impose a 10% global tariff under a different legal authority.

In recent months, the Trump Administration has engaged in discussions with multiple trading partners against the backdrop of the IEEPA tariff actions. President Trump has adjusted these tariff actions and rates to induce trade concessions from other countries. It remains to be seen what impact, if any, this Court ruling will have on those trade negotiations, including the widely anticipated discussions with China.