# Key Takeaways From President Trump's February 2025 Steel and Aluminum Tariff Proclamations

Article

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On February 10 and 11, 2025, President Trump issued two exceptionally aggressive proclamations that impose additional tariffs on steel and aluminum imports to the U.S. Although there will be forthcoming Annexes that provide additional details on covered scope and compliance requirements for the trade community, there are several key takeaways to be aware of at this juncture.

- **Beginning March 12, 2025,** all duties, including on derivative articles on steel and aluminum, will go into effect.
- Aluminum tariff increases. Previous tariffs on aluminum and aluminum derivative articles (10 percent) have been increased to 25 percent and extend to imports from all countries with the exception of Russia, which remains at 200 percent.
- Steel import duties apply without exception. With respect to steel and derivative articles, all specific exemptions that were previously granted to certain countries have now been removed, and all countries will now be subjected to the 25 percent import duties.
- **Scope of covered products.** As to the scope of the products that are currently covered within the two proclamations, these include those classifications that are already associated with the current section 232 tariff. That scope also include additional "derivative" products that shall be identified in the forthcoming Annex I.
- "Derivative" products. Only the portion of the item that consists of steel/ aluminum shall be subject to the tariff. That would, however, not apply where the steel has been melted and poured or the aluminum smelted and cast in the U.S., with exceptions for those processed in another country from steel articles melted and poured, or aluminum articles smelted and cast, in the U.S. Further, both proclamations include language suggesting that tariffs on derivative articles will not take effect until the Department of Commerce provides the public with notification that adequate systems are in place to fully, efficiently, and expediently process and collect associated tariff revenue for covered articles.

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- **Duty mitigation opportunities.** No drawback opportunity is available for steel, aluminum, and their derivatives and all such products shall be entered in privileged foreign status.
- Implementation of the requirements. Importers will be required to provide U.S. Customs and Border Patrol (CBP) with whatever information necessary to identify the steel content used in the manufacture of steel derivative products within scope, with CBP obligated to "implement the information requirements as soon as practicable."
- **Prioritized** The order directs CBP to prioritize enforcement of these duties, including reviewing classifications and production processes for evasion.

Though the proclamations appear comprehensive in scope, questions remain, including how the embedded steel and/or aluminum content within the derivative articles will be calculated or information needed supported compliance. Unfortunately, given the flurry of executive orders and ensuing chaos, we will need to await further details in forthcoming Annex I.

## **UPDATF:**

On February 14, 2025, two federal registrar notices, including Annex I, were published. These annexes define additional derivative products that will be subject to the 25 percent duties on steel and aluminum products imported to the U.S.

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