

# U.S. Businesses Brace for 25% Duties on Imports From Canada and Mexico

Article

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On February 1, 2025, President Trump signed Executive Orders (“EOs”) imposing additional 25 percent duties on almost all imports from Canada and Mexico, and 10 percent duties on import of energy from Canada.

These tariffs were due to go into effect on February 4, 2025, but were suspended for an additional 30 calendar days pending negotiation. They are now scheduled to become effective on Friday March 4, 2025, unless a new agreement is reached either extending the pause by additional time or suspending it indefinitely. On Monday, February 24, President Trump stated in an interview that the tariffs on Mexico and Canada are “going forward on time, on schedule.”

If the Trump administration follows through with these threats, the impact on economies across the U.S. will be extensive, though it will vary greatly from state to state. In 2024, for example, Canada was Wisconsin’s top import partner, accounting for about 17 percent of the state’s total imports. This was followed by Mexico. On the other hand, Canada and Mexico continue to rank as Wisconsin’s top two export destinations, collectively representing 45.7 percent of the state’s total exports.

With tariffs potentially coming into effect in less than 10 days, U.S. business and those of other countries should have both a short- and a long-term plan on how to mitigate and reduce these trade uncertainties. We will of course continue to monitor the situation and provide updates as they become available.

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