

Tariff Fact Sheet July 14, 2025

Overview

On April 2, 2025, U.S. President Trump's [Reciprocal Tariffs Executive Order](#) imposed a 10% baseline reciprocal tariff on nearly all U.S. trading partners. An additional set of country-specific tariffs for 57 countries was announced but postponed for 90 days (until July 9, 2025) to allow for bilateral negotiations.

On July 7, 2025 U.S. President Trump signed an [executive order](#) postponing the July 9 reciprocal tariff rate increase to August 1. Also on July 7, the White House issued 14 country-specific letters modifying and delaying the implementation of the country-specific tariffs. Each letter outlines new tariff rates ranging from 25% to 40%, emphasizes the need for a more balanced trade relationship with the U.S., and warns of higher tariffs on Chinese transshipped goods. The letters also state that the U.S. will respond to any retaliatory actions by trading partners with equivalent measures. The White House has indicated that additional letters may be issued.

Here you can find a [breakdown of the proposed tariff rates](#) for the 24 countries or regions that received letters.

The letters also addressed concerns about Chinese transshipped goods and stated that the U.S. will respond to any retaliatory measures taken by other countries.

Officials from the U.S. Trump Administration have stated that goods from Canada and Mexico that comply with USMCA provisions will remain exempt from the increased tariffs of 35% and 30%, respectively.

July 8 Update

Key Tariff Measures

- Baseline Tariff: 10% on nearly all imports from U.S. trading partners (effective April 5).
- Country-Specific Tariffs: Higher rates for [57 countries](#), delayed until August 1, 2025.



- USMCA Exemptions: Canada and Mexico are exempt from new tariffs under the USMCA. Specialty crops (e.g., fresh produce) from these countries remain duty-free.
- Additive Tariffs: Some tariffs (e.g., on steel, aluminum, autos) remain in effect and may be additive to the new reciprocal tariffs.

Fresh produce Impacts

- Fresh fruit and vegetable exports from Canada and Mexico into the U.S. are exempt under USMCA.
- Other countries may face the 10% baseline tariff or higher country-specific rates after August 1, 2025.

De Minimis Elimination

Effective May 2, de minimis treatment is **eliminated** for low-value imports from China and Hong Kong. All shipments under \$800 from these regions are now subject to inspection and tariffs.

Legal Authority

The 10% reciprocal tariffs and country-specific tariffs were enacted under the International Emergency Economic Powers Act (IEEPA).

Court Challenges

On May 28, 2025, the Court of International Trade (CIT) ruled that IEEPA does not authorize the president to impose broad tariffs. The court ordered the White House to vacate tariffs issued on “Liberation Day” (April 2) and fentanyl tariffs on Mexico, Canada, and China.

On May 29, the DC District Court issued a preliminary injunction, stating that IEEPA lacks the authority to impose tariffs at all.

The Department of Justice appealed and obtained a stay, keeping tariffs in place during litigation. A decision from the Federal Circuit could take several months to over a year, with potential involvement from the Supreme Court extending the timeline further.

Estimated tariff litigation timeline:

- **July/August 2025:** Legal briefs will be submitted to the U.S. Court of Appeals for the Federal Circuit.
- **September 2025:** Oral arguments are expected to be held before the Federal Circuit.



- **Fall 2025:** The U.S. Court of Appeals for the Federal Circuit will determine whether the tariffs are upheld or struck down. Regardless of the outcome, the losing party is expected to appeal to the Supreme Court of the United States.
- **Spring 2026:** If the Supreme Court of the United States agrees to hear the case, oral arguments would likely occur during this term.
- **June 2026:** The Supreme Court of the United States term concludes. A final decision, if taken up, would likely be issued by this time.

Note: this timeline assumes the case is not taken up by the Supreme Court of the United States on an emergency appeal.

Section 232 and Section 301 tariffs on specific products, such as autos, steel, and aluminum, remain in place.

Exemptions

- Certain products remain exempt from the new tariffs such as pharmaceuticals, critical minerals not produced domestically (e.g., copper, gold, rare earths), and fertilizer-related products. More information can be found online [here](#) and [here](#).

Bilateral negotiations updates

U.S.–China Tariff Developments

Escalation Phase (April 2025)

Between April 2 and April 9, 2025, the U.S. raised tariffs on Chinese exports (including goods from Hong Kong and Macau) from 34% to 84%, and ultimately to 125%, resulting in an effective tariff rate of 145% on many products. In response, China imposed retaliatory tariffs of 84% on U.S. exports, effective April 10.

Temporary Suspension (May 2025)

On May 10–11, U.S. and Chinese officials met in Geneva and agreed to a 90-day suspension of tariffs, effective May 14, to allow for continued negotiations.

Under the agreement:

- China reduced tariffs on U.S. goods from 125% to 10%.
- The U.S. lowered tariffs on Chinese goods from 145% to 30%, while retaining all duties imposed prior to April 2.



Final Agreement (June 2025)

On June 11, 2025, U.S. President Trump [announced](#) that the U.S. and China had reached a final trade agreement following two days of negotiations in London. For their part, the Chinese side said that a framework had been reached in principle that would need to be taken back to the U.S. and Chinese leaders.

Key terms of the deal include:

- The U.S. will impose a 55% tariff on Chinese imports.
- China will impose a 10% tariff on U.S. imports.
- China will resume rare earth exports critical to U.S. manufacturing.
- U.S. easing visa access for Chinese students.

Trade Context

In 2023, U.S.–China bilateral trade in fruit exceeded \$1 billion, and vegetable trade approached \$700 million.

For more details on bilateral trade between the U.S. and China, refer to [IFPA's U.S.–China Trade Overview](#).

European Union (EU) – Tariff and Retaliation Measures

Retaliatory Measures and Negotiation Timeline

On April 9, 2025, the Council of the European Union approved a package of commercial rebalancing measures in response to U.S. tariffs announced on April 2.

The proposed EU tariffs target a wide range of U.S. goods, including:

- Coffee, ice cream, soybeans, rice, spices, and select fresh produce and nuts.

Although the tariffs were initially scheduled to take effect on April 15, the European Commission postponed implementation by 90 days to allow time for negotiations with the U.S.

Ongoing Consultations and Additional Measures

- On May 7, 2025, the European Commission published a new draft list of additional U.S. imports that could be subject to further countermeasures if negotiations fail—particularly in response to U.S. tariffs on automobiles and reciprocal tariffs.



- Talks are expected to extend beyond the July 9 deadline. The EU is preparing for potential 50% tariffs on up to 70% of its exports (€380 billion) and may retaliate with tariffs on €116 billion in U.S. goods. Negotiations remain difficult, with the EU viewing U.S. demands as one-sided.

IFPA Advocacy in the EU

IFPA continues to advocate for the exclusion of fresh produce and floral products from all new tariffs and countermeasures. IFPA submitted formal comments to the European Commission in March and June 2025, emphasizing the importance of protecting perishable agricultural trade from retaliatory or counterbalancing measures by both sides of the Atlantic.

For more details on bilateral trade between the U.S. and the EU, refer to [IFPA's U.S.-EU Trade Overview](#).

Canadian – U.S. Tariff and Retaliatory measures

As mentioned above as of April 2, 2025, U.S. President Trump has announced that USMCA-compliant goods originating from Canada (and Mexico) will remain exempt from additional tariffs.

Currently the U.S. is imposing a 25% tariff on all imports that do not comply with the United States-Canada-Mexico Agreement (USMCA). Additionally, a 10% tariff is applied to non-USMCA compliant potash and energy products, a 50% tariff on aluminum and steel imports from all countries into the U.S. has been in effect since June 4, 2025, and a 25% tariff on all cars and trucks not built in the U.S. was announced on March 26, 2025, and took effect on April 2, 2025.

IFPA continues to advocate to both the Canada and U.S. governments that fresh produce and floral should be exempt from any reciprocal or retaliatory tariffs.

[For more details on bilateral trade between the U.S. and Canada, refer to IFPA's U.S.-Canada Trade Overview.](#)

U.S.-UK Economic Prosperity Deal

On June 16, 2025, the U.S. and the United Kingdom [signed an agreement](#) to enhance trade access and address U.S. national security concerns. Under the agreement, the U.S. will



allow up to 100,000 UK-manufactured vehicles annually to enter the U.S. market at a reduced 10% tariff rate, with higher tariffs applying beyond that quota. The UK, in turn, will establish a preferential duty-free quota of 13,000 metric tonnes per year for U.S. beef and eliminate a 20% tariff on an existing quota. Both countries committed to reducing non-tariff barriers and aligning on sanitary and phytosanitary standards. The deal also includes provisions for future cooperation on sectors subject to national security reviews, such as steel, aluminum, and aerospace.

U.S.–Vietnam tariff framework

The U.S.–Vietnam tariff framework, announced on July 2, 2025, establishes a new bilateral trade framework aimed at rebalancing trade between the two countries. Under the agreement, the United States will impose a 20% tariff on Vietnamese exports—down from a previously proposed 46%—while maintaining a 40% tariff on goods transshipped through Vietnam, particularly those originating from China. In exchange, Vietnam has agreed to eliminate tariffs on U.S. goods, granting full market access for American exports, including automobiles and industrial products. Negotiators are in the process of finalizing the details of the agreement.

