



DEPARTMENT OF HOMELAND SECURITY

U.S. CUSTOMS and BORDER PROTECTION

Notice of Implementation of Additional Duties on Products of Canada

Pursuant to the President’s Executive Order 14193, Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice.

SUMMARY: In order to effectuate the President’s Executive Order 14193, “Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border,” as amended by Executive Order 14197, “Progress on the Situation at Our Northern Border”, and subsequently amended by the President’s March 2, 2025 Executive Order “Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border”, which imposed specified rates of duty on imports of articles that are products of Canada, the Secretary of Homeland Security has determined that appropriate action is needed to modify the Harmonized Tariff Schedule of the United States (HTSUS) as set out in the Annex to this notice.

DATES: The duties set out in the Annex to this document are effective with respect to products of Canada that are entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 4, 2025.

FOR FURTHER INFORMATION CONTACT: Brandon Lord, Executive Director, Trade Policy and Programs, Office of Trade, U.S. Customs and Border Protection, (202) 325-6432 or by email at traderemedy@cbp.dhs.gov. Susan Thomas, Executive Director, Cargo and Conveyance Security, Office of Field Operations, U.S. Customs and Border Protection, (202) 344-3401 or by email at traderemedy@cbp.dhs.gov.

SUPPLEMENTARY INFORMATION:

On January 20, 2025, the President declared a national emergency with respect to the grave threat to the United States posed by the influx of illegal aliens and drugs into the United States in Proclamation 10886 (Declaring a National Emergency at the Southern Border). *See* National Emergencies Act (50 U.S.C. 1601 *et seq.*) (NEA).

On February 1, 2025, the President expanded the scope of the national emergency declared in that proclamation to cover the threat to safety and security of Americans, including the public health crisis of deaths due to the use of fentanyl and other illicit drugs and the failure of Canada to do more to arrest, seize, detain, or otherwise intercept drug trafficking organizations, other drug and human traffickers, criminals at large, and drugs. In addition, the President determined that this failure to act on the part of Canada constitutes an unusual and extraordinary threat, which has its source in substantial part outside the United States, to the national security and foreign policy of the United States. See Executive Order 14193 (90 FR 9113), dated February 1, 2025.

To address this threat, pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the NEA, section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), and 3 U.S.C. 301, the President imposed ad valorem tariffs on all imports that are products of Canada, excluding those encompassed by 50 U.S.C. 1702(b). Specifically, the February 1, 2025 Executive Order adjusted duties on imported products of Canada, except for imports of energy and energy resources that are products of Canada, by imposing, consistent with law, an additional 25 percent ad valorem rate of duty as described in the Annex to this notice. With respect to imports of energy and energy resources that are products of Canada, as described in the Annex to this notice, the Executive Order imposed, consistent with law, an additional 10 percent ad valorem rate of duty.

On February 3, 2025, the President issued Executive Order 14197, “Progress on the Situation at our Northern Border” (90 FR 9183), which amended Executive Order 14193 by pausing the implementation of the additional duties for 30 days until March 4, 2025, to allow

time to assess whether actions taken by Canada as of that date were sufficient to alleviate the crisis and resolve the unusual and extraordinary threat beyond our southern border.

Additionally, Executive Order 14197 withdrew the exceptions in section 2(a) of Executive Order 14193 related to covered goods loaded onto a vessel at a port of entry or in transit on the final mode of transport prior to entry into the United States.

Subsequently, on March 2, 2025, the President amended subsection (h) of section 2 of Executive Order 14193, to modify the application of 19 U.S.C. § 1321 to goods covered by subsection (a) and subsection (b) of section 2 of Executive Order 14193. *See Executive Order “Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border”* (March 2, 2025). Specifically, as amended, section 2(h) of Executive Order 14193 provides that duty-free *de minimis* treatment under 19 U.S.C. 1321 is available for otherwise eligible covered articles described in the Executive Order, but shall cease to be available for such articles upon notification by the Secretary of Commerce to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable pursuant to subsection (a) and subsection (b) of section 2 of the Executive Order for covered articles otherwise eligible for *de minimis* treatment.

Executive Order 14193 directed the Secretary of Homeland Security to determine and implement the necessary modifications to the Harmonized Tariff Schedule of the United States (HTSUS), consistent with law, in order to effectuate the Executive Order, as amended by Executive Order 14197.

In order to implement the rates of duty imposed by the Executive Order, as amended, effective on 12:01 a.m. eastern standard time on March 4, 2025, subchapter III of chapter 99 of the HTSUS is modified by the Annex to this notice.

Articles that are products of Canada, excluding those encompassed by 50 U.S.C. 1702(b), that are entered for consumption, or withdrawn from warehouse for consumption, on or after

12:01 a.m. eastern standard time on March 4, 2025, will be subject to the additional *ad valorem* rate of duty provided for in new HTSUS headings 9903.01.10 or 9903.01.13.

Imported products of Canada that are encompassed by 50 U.S.C. 1702(b) will not be subject to the additional *ad valorem* duty rates provided for in new HTSUS headings 9903.01.10 or 9903.01.13, but such qualifying products, other than products for personal use included in accompanied baggage of persons arriving in the United States, must be declared and entered under new HTSUS heading 9903.01.11 or new HTSUS heading 9903.01.12, as applicable. Specifically, new HTSUS heading 9903.01.11 covers products encompassed by 50 U.S.C. 1702(b)(2) and new HTSUS heading 9903.01.12 covers products encompassed by 50 U.S.C. 1702(b)(3).¹

The additional *ad valorem* duty provided for in new HTSUS headings 9903.01.10 and 9903.01.13 applies in addition to all other applicable duties, taxes, fees, exactions, and charges.

Further, pursuant to the March 2, 2025 Executive Order, the administrative exemption from duty and certain taxes at 19 U.S.C. 1321(a)(2)(C) — known as the “*de minimis*” exemption — continues to be available for articles covered by headings 9903.01.10 and 9903.01.13 that are otherwise eligible for the exemption, including for eligible articles sent to the United States through the international postal network, but shall cease to be available for such articles upon notification by the Secretary of Commerce to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable to articles covered by headings 9903.01.10 and 9903.01.13 otherwise eligible for the “*de minimis*” exemption.

¹ 50 U.S.C. 1702(b)(1) covers “postal, telegraphic, telephonic, or other personal communication[s], which do[] not involve a transfer of anything of value,” and hence does not encompass any imported articles of merchandise. 50 U.S.C. 1702(b)(4) covers “transactions ordinarily incident to travel to or from any country, including [1] importation of accompanied baggage for personal use, [2] maintenance within any country including payment of living expenses and acquisition of goods or services for personal use, and [3] arrangement or facilitation of such travel including nonscheduled air, sea, or land voyages.” Only the first of the three categories of exceptions covered by 50 U.S.C. 1702(b)(4) – products for personal use included in accompanied baggage of persons arriving in the United States – encompasses imported articles of merchandise, and such articles are excluded from the scope of the additional *ad valorem* duties provided for in new HTSUS headings 9903.01.10 and 9903.01.13 by the terms of those headings and new U.S. note 2(j).

Accordingly, articles that are the product of Canada that are eligible for the *de minimis* exemption and are covered by headings 9903.01.10 and 9903.01.13 may continue to request duty free *de minimis* treatment until such time as the Secretary of Commerce, in consultation with the Secretary of the Treasury, so notifies the President and further guidance is provided.

The additional ad valorem duty provided for in new HTSUS headings 9903.01.10 and 9903.01.13 also applies to products of Canada that are eligible for special tariff treatment under general note 3(c)(i) to the HTSUS, and that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99. The Annex to this notice includes instruction on the application of the additional duties to goods entered under certain provisions of chapters 98 and 99 of the HTSUS, along with the application of the additional duties to goods qualifying for special tariff treatment under the United States-Mexico-Canada Agreement (USMCA).

The additional duties imposed by headings 9903.01.10 and 9903.01.13 shall not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of U.S. Customs and Border Protection (“CBP”), and whenever CBP agrees that entry under such a provision is appropriate, except for goods entered under subheading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed (in Canada), as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the article assembled abroad (in Canada), less the cost or value of such products of the United States, as described.

The Annex to this notice also provides that products of Canada include both goods of Canada under the rules set forth in part 102, Title 19 of the Code of Federal Regulations, as applicable, as well as goods for which Canada was the last country of substantial transformation prior to importation into the United States.

Articles that are products of Canada, excluding those encompassed by 50 U.S.C. 1702(b), except those that are eligible for admission to a foreign trade zone under “domestic status” as defined in 19 CFR 146.43, and are admitted into a United States foreign trade zone on or after 12:01 am a.m. eastern standard time on March 4, 2025, must be admitted as “privileged foreign status” as defined in 19 CFR 146.41. Such articles will be subject, upon entry for consumption, to the duties imposed by the Executive Order, as amended, and the rates of duty related to the classification under the applicable HTSUS heading or subheading in effect at the time of admission into the United States foreign trade zone.

No drawback shall be available with respect to the additional duties imposed pursuant to the Executive Orders.

Kristi Noem,
Secretary.

ANNEX

**TO MODIFY CHAPTER 99 OF THE HARMONIZED
TARIFF SCHEDULE OF THE UNITED STATES**

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 4, 2025, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified:

1. by inserting the following new heading 9903.01.10 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special” and “Rates of Duty 2”, respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.01.10	Except for products described in headings 9903.01.11, 9903.01.12 or, 9903.01.13, articles the product of Canada, as provided for in U.S. note 2(j) to this subchapter.	The duty provided in the applicable subheading + 25%	The duty provided in the applicable subheading + 25%	No change”.

2. by inserting the following new heading 9903.01.11 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special” and “Rates of Duty 2”, respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.01.11	Articles the product of Canada that are donations, by persons subject to the jurisdiction of the United States, of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering, as provided for in U.S. note 2(k) to this subchapter	The duty provided in the applicable subheading	The duty provided in the applicable subheading	No change”.

3. by inserting the following new heading 9903.01.12 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special” and “Rates of Duty 2”, respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.01.12	Articles the product of Canada that are informational materials, including but not limited to, publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds	The duty provided in the applicable subheading	The duty provided in the applicable subheading	No change”.

4. by inserting the following new heading 9903.01.13 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special” and “Rates of Duty 2”, respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.01.13	Except for products described in headings 9903.01.11 and 9903.01.12, and other than products for personal use included in accompanied baggage of persons arriving in the United States, articles the product of Canada: Crude oil, natural gas, lease condensates, natural gas liquids, refined petroleum products, uranium, coal, biofuels, geothermal heat, the kinetic movement of flowing water, and critical minerals, as defined by 30 U.S.C. 1606(a)(3)	The duty provided in the applicable subheading + 10 %	The duty provided in the applicable subheading + 10%	No change”.

5. by inserting the following new U.S. note 2(j) to subchapter III of chapter 99 of the HTSUS in numerical sequence:

“2. (j) For the purposes of heading 9903.01.10, products of Canada, other than products described in headings 9903.01.11, 9903.01.12, and 9903.11.13, and other than products for personal use included in accompanied baggage of persons arriving in the United States, shall be subject to an additional 25% *ad valorem* rate of duty. For the purposes of heading 9903.01.13, the covered products of Canada shall be subject to an additional 10 % *ad valorem* rate of duty. Notwithstanding U.S. note 1 to this subchapter, all products of Canada that are subject to the additional *ad valorem* rate of duty imposed by headings 9903.01.10 and 9903.01.13 shall also be subject to the general rates of duty imposed on products of Canada entered under subheadings in chapters 1 to 97 of the tariff schedule.

The additional duties imposed by headings 9903.01.10 and 9903.01.13 that apply to products of Canada include both goods of Canada under the rules set forth in part 102, title 19 of the Code of Federal Regulations, as applicable, as well as goods for which Canada was the last country of substantial transformation prior to importation into the United States.

Products of Canada that are eligible for special tariff treatment under general note 3(c)(i) to the tariff schedule, or that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99, shall be subject to the additional *ad valorem* rate of duty imposed by headings 9903.01.10 and 9903.01.13.

The additional duties imposed by headings 9903.01.10 and 9903.01.13 shall not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of U.S. Customs and Border Protection (“CBP”), and whenever CBP agrees that entry under such a provision is appropriate, except for goods entered under heading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed (in Canada), as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the article assembled abroad (in Canada), less the cost or value of such products of the United States, as described.

Products of Canada that are provided for in headings 9903.01.10 or 9903.01.13 shall continue to be subject to antidumping, countervailing, or other duties, taxes, fees, exactions and charges that apply to such products, as well as to the additional *ad valorem* rate of duty imposed by headings 9903.01.10 and 9903.01.13.

Products of Canada that are provided for in headings 9903.01.10 and 9903.01.13 and that are otherwise eligible for the administrative exemption from duty and certain taxes at 19 U.S.C. 1321(a)(2)(C) — known as “*de minimis*” exemption — may continue to qualify for the exemption, but the *de minimis* exemption shall cease to be available for such articles upon notification by the Secretary of Commerce, in consultation with the Secretary of the Treasury, to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable for covered articles otherwise eligible for the *de minimis* exemption.

(k) Heading 9903.01.11 covers only products of Canada, that are donations, by persons subject to the jurisdiction of the United States, of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering, except to the extent that the President determines that such donations (A) would seriously impair his ability to deal with any national emergency declared under section 1701 of title 19 of the U.S. Code, (B) are in response to coercion against the proposed recipient or donor, or (C) would endanger Armed Forces of the United States which are engaged in hostilities or are in a situation where imminent involvement in hostilities is clearly indicated by the circumstances.”

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