

## **Modification of Reciprocal Tariff Rates Date: July 31, 2025**

### **1. Legal Authority and Background**

This Executive Order continues the President's policy of establishing "Reciprocal Tariff Rates," which are trade tariffs imposed by the United States on imported goods to correspond to or counterbalance the duties or trade practices of other countries.

The President previously determined, through earlier executive orders, that the harmful trade practices and persistent imbalances in market access posed an unusual and extraordinary threat to the U.S. economy, warranting the declaration of a national emergency. Under this ongoing emergency, the President has exercised powers under the International Emergency Economic Powers Act (IEEPA) to impose tailored tariffs on specific countries based on trade reciprocity and national interest assessments.

This July 31, 2025 Executive Order modifies certain previously imposed reciprocal tariffs by revising the rates applicable to specific countries and regions. This action is based on updated reviews of their trade behaviour, tariff schedules, and ongoing negotiations with the U.S. government.

### **2. Applicability and Operational Directives**

These modifications shall be effective with respect to goods entered for consumption, or withdrawn from a warehouse for consumption, on or after 12:01 a.m. Eastern Daylight Time (EDT) on August 7, 2025, which is seven days after the date of this order.

An exception is provided for a transitional window:

- Goods loaded onto a vessel at the port of loading and in transit on the final mode of transport before 12:01 a.m. EDT on August 7, 2025, and
- entered for consumption, or withdrawn from a warehouse for consumption, before 12:01 a.m. EDT on October 5, 2025,
- shall not be subject to the modified additional duty. Instead, these goods will remain subject to the additional *ad valorem* duties previously imposed in Executive Order 14257, as amended.

This provision ensures that traders with pre-existing logistical arrangements are not retroactively penalized under the new tariff schedule.

**Implementation Mechanism** The United States Trade Representative (USTR), in coordination with the Secretary of the Treasury and the Secretary of Homeland Security, is directed to undertake all appropriate actions to amend the Harmonized Tariff Schedule of the United States (HTSUS) to reflect the updated reciprocal rates. These agencies are responsible for ensuring that U.S. Customs and Border Protection enforces the adjusted tariffs in accordance with the implementation schedule and legal framework.

**Special Provisions for the European Union (EU)** The Order includes specific instructions for the application of reciprocal tariffs on goods imported from the European Union:

- If the HTSUS Column 1 duty rate for a good exceeds 15%, no additional reciprocal tariff is imposed (i.e., a 0% adjustment).
- If the Column 1 duty rate is less than 15%, the reciprocal tariff is equal to the difference between 15% and the Column 1 rate.

### 3. List of Countries & Their Tariffs

Countries & Territories	Reciprocal Tariff, Adjusted
Afghanistan	15%
Algeria	30%
Angola	15%
Bangladesh	20%
Bolivia	15%
Bosnia and Herzegovina	30%
Botswana	15%
Brazil	10%
Brunei	25%
Cambodia	19%

Cameroon	15%
Chad	15%
Costa Rica	15%
Côte d'Ivoire	15%
Democratic Republic of the Congo	15%
Ecuador	15%
Equatorial Guinea	15%
European Union: Goods with Column 1 Duty Rate > 15%	0%
European Union: Goods with Column 1 Duty Rate < 15%	15% minus Column 1 Duty Rate
Falkland Islands	10%
Fiji	15%
Ghana	15%
Guyana	15%
Iceland	15%
India	25%
Indonesia	19%
Iraq	35%
Israel	15%
Japan	15%
Jordan	15%
Kazakhstan	25%
Laos	40%
Lesotho	15%

Countries & Territories	Reciprocal Tariff, Adjusted
Libya	30%
Liechtenstein	15%
Madagascar	15%
Malawi	15%
Malaysia	19%
Mauritius	15%
Moldova	25%
Mozambique	15%
Myanmar (Burma)	40%
Namibia	15%
Nauru	15%
New Zealand	15%
Nicaragua	18%
Nigeria	15%
North Macedonia	15%
Norway	15%
Pakistan	19%
Papua New Guinea	15%
Philippines	19%
Serbia	35%
South Africa	30%
South Korea	15%
Sri Lanka	20%
Switzerland	39%
Syria	41%
Taiwan	20%
Thailand	19%

Trinidad and Tobago	15%
Tunisia	25%
Turkey	15%
Uganda	15%
United Kingdom	10%
Vanuatu	15%
Venezuela	15%
Vietnam	20%
Zambia	15%
Zimbabwe	15%

#### 4. Harmonized Tariff Schedule of the United States (HTSUS) Amendments

For goods entered or withdrawn for consumption on or after 12:01 a.m. EDT on August 7, 2025, Subchapter III of Chapter 99 of the HTSUS is amended as follows:

- Heading 9903.01.25 is revised to cover products of any country, excluding specific headings as detailed in U.S. Note 2(v).
- Headings 9903.01.43–9903.01.62 and 9903.01.64–9903.01.76, along with related note subdivisions, are terminated for future entries.
- U.S. Note 2(v) is amended to update references and adds a provision for calculating *ad valorem* equivalent rates for EU goods subject to specific or compound duties.
- New tariff headings will be inserted accordingly in numerical order in the HTSUS with complete duty rate details.

***For Any Queries Kindly Connect With Us on:*** [Arpit Bhargava](#) / [Radhika Sharma](#) / [Dr. Peter Koenig](#)