

The WHITE HOUSE



## PRESIDENTIAL ACTIONS

## AMENDMENT TO DUTIES TO ADDRESS THE FLOW OF ILLICIT DRUGS ACROSS OUR NORTHERN BORDER

Executive Orders

July 31, 2025

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), and section 301 of title 3, United States Code, I hereby determine and order:

Section 1. Background. In Executive Order 14193 of February 1, 2025 (Imposing Duties To Address the Flow of Illicit Drugs Across Our Northern Border), I declared a national emergency arising from certain conditions, including the public health crisis caused by 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 or human traffickers, criminals at large, and illicit drugs. In that order, I found that those conditions constitute an unusual and extraordinary threat, which has its source in substantial part outside the United States, to the national security, foreign policy, and economy of the United States.

To deal with the emergency declared in Executive Order 14193, I imposed an additional *ad valorem* rate of duty of 25 percent on certain articles that are products of Canada and an additional *ad valorem* rate of duty of 10 percent on certain energy or energy resources that are products of Canada. In Executive Order 14231 of March 6, 2025 (Amendment to Duties To Address the Flow of Illicit Drugs Across Our Northern Border), I provided that the additional *ad valorem* rates of duties under Executive Order

14193 do not apply to articles that are products of Canada that qualify for duty-free entry under the Agreement between the United States of America, United Mexican States, and Canada (USMCA), and I reduced the additional *ad valorem* rate of duty on potash from 25 percent to 10 percent.

Section 2(d) of Executive Order 14193 provides that “[s]hould Canada retaliate against the United States . . . through import duties on United States exports to Canada or similar measures,” I “may increase or expand in scope the duties imposed . . . to ensure the efficacy of th[e] action” taken in Executive Order 14193. Section 3(b) of Executive Order 14193 provides that the Secretary of Homeland Security, in coordination with other senior officials, “shall recommend additional action, if necessary, should the Government of Canada fail to take adequate steps to alleviate the illegal migration and illicit drug crises through cooperative enforcement actions.”

I have received additional information and recommendations from various senior officials regarding, among other things, Canada’s lack of cooperation in stemming the flood of fentanyl and other illicit drugs across our northern border — including its failure to devote satisfactory resources to arrest, seize, detain, or otherwise intercept drug trafficking organizations, other drug or human traffickers, criminals at large, and illicit drugs — and Canada’s efforts to retaliate against the United States in response to Executive Order 14193, as amended. After considering the additional information and recommendations that I have received, among other things, I have determined that, for the products of Canada that are subject to the additional *ad valorem* rate of duty of 25 percent, the additional *ad valorem* rate of duty shall increase from 25 percent to 35 percent. In my judgment, this action is necessary and appropriate to deal with the emergency declared in Executive Order 14193.

Sec. 2. Implementation. (a) All articles that are subject to the additional *ad valorem* rate of duty of 25 percent under Executive Order 14193, as amended, shall instead be subject to an additional *ad valorem* rate of duty of 35 percent. Accordingly, the Harmonized Tariff Schedule of the United States (HTSUS) shall be modified as provided in the Annex to this order.

(b) The changes set forth herein shall be effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 1, 2025.

(c) Nothing in this order shall be construed to alter or otherwise affect section 2(b) of Executive Order 14193 or section 2(a) or section 2(b) of Executive Order 14231.

(d) The stacking rules set out in Executive Order 14289 of April 29, 2025 (Addressing Certain Tariffs on Imported Articles), and any subsequent order or proclamation addressing stacking of tariffs imposed under IEEPA, shall continue to apply to goods that are subject to subsection (a) of this section.

(e) The Secretary of Homeland Security, in consultation with the United States International Trade Commission, shall determine whether any additional modifications to the HTSUS are necessary to effectuate this order and may make such modifications through notice in the *Federal Register*.

Sec. 3. Transshipment. (a) all articles of Canada that do not qualify as originating under USMCA and are determined by U.S. Customs and Border Protection (CBP) to have been transshipped to evade applicable duties under section 2 of this order shall be subject to (i) an additional *ad valorem* rate of duty of 40 percent, in lieu of the additional *ad valorem* rate of duty applicable under section 2 of this order to goods of the country of origin; (ii) any other applicable or appropriate fine or penalty, including those assessed under 19 U.S.C. 1592; and (iii) any other United States duties, fees, taxes, exactions, or charges applicable to goods of the country of origin. CBP shall not allow, consistent with applicable law, for mitigation or remission of the penalties assessed on imports found to be transshipped to evade applicable duties.

(b) The Secretary of Commerce and the Secretary of Homeland Security, acting through the Commissioner of CBP, in consultation with the United States Trade Representative, shall publish every 6 months a list of countries and specific facilities used in circumvention schemes, to inform public procurement, national security reviews, and commercial due diligence.

Sec. 4. Monitoring and Recommendations. (a) The Secretary of Homeland Security shall continue to monitor, and regularly consult with the Secretary of State, the Attorney General, the Assistant to the President for National Security Affairs, and the Assistant to the President for Homeland Security, on the situation at our northern border. The Secretary of Homeland Security shall inform the President of any circumstances that, in her opinion, might indicate the need for further action by the President. The Secretary of Homeland Security shall also inform the President of any circumstance that, in her opinion, might indicate that the Government of Canada has taken adequate steps to alleviate the emergency declared in Executive Order 14193.

(b) The Secretary of Homeland Security, in coordination with the Secretary of State, the Attorney General, the Assistant to the President for National Security Affairs, and the

Assistant to the President for Homeland Security, shall recommend additional action, if necessary, should the Government of Canada fail to take adequate steps to alleviate the illicit drug crisis or should the Government of Canada retaliate against the United States in response to the actions taken in Executive Order 14193 or any subsequent order issued to address the emergency declared in Executive Order 14193.

Sec. 5. Delegation. The Secretary of Homeland Security, in consultation with the Secretary of the Treasury, the Attorney General, and the Secretary of Commerce, is hereby authorized to take such actions, including adopting rules and regulations, and to employ all powers granted to the President by IEEPA as may be necessary to implement this order. The Secretary of Homeland Security may, consistent with applicable law, redelegate any of these functions within the Department of Homeland Security. All executive departments and agencies shall take all appropriate measures within their authority to implement this order.

Sec. 6. Severability. If any provision of this order, or the application of any provision of this order to any individual or circumstance, is held to be invalid, the remainder of this order and the application of its provisions to any other individuals or circumstances shall not be affected.

Sec. 7. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

- (i) the authority granted by law to an executive department or agency, or the head thereof; or
  - (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.
- (b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
- (c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.
- (d) The costs for publication of this order shall be borne by the Department of Homeland Security.

## DONALD J. TRUMP

THE WHITE HOUSE,  
July 31, 2025.

**Annex**

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 1, 2025, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified as follows:

(a) Heading 9903.01.10 of the HTSUS is amended by deleting “25%” each place that it appears and by inserting “35%” in lieu thereof; and

(b) Subdivision (j) of U.S. note 2 to subchapter III of chapter 99 of the HTSUS is amended by:

(i) deleting “25%” and inserting “35%” in lieu thereof, and

(ii) deleting “described in headings 9903.01.11, 9903.01.12, 9903.01.13, 9903.01.14, and 9903.01.15” and inserting “described in headings 9903.01.11, 9903.01.12, 9903.01.13, 9903.01.14, 9903.01.15 and 9903.01.16” in lieu thereof.

(c) Note 2 to subchapter III of chapter 99 of the HTSUS is modified by inserting new subdivision (m) in alphabetical order:

“(m) For the purposes of heading 9903.01.16, products of Canada that do not qualify as originating under the United States–Canada–Mexico Free Trade Agreement (USMCA) and are determined by U.S. Customs and Border Protection (“CBP”) to have been transshipped to evade applicable duties provided for by headings 9903.01.10, 9903.01.13, or 9903.01.15 shall be subject to an additional 40% ad valorem rate of duty in lieu of the additional rate of duty provided for in headings 9903.01.10, 9903.01.13, or 9903.01.15. Heading 9903.01.16 does not apply to products described in headings 9903.01.11, 9903.01.12, and 9903.01.14, or products for personal use included in accompanied baggage of persons arriving in the United States. 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 heading 9903.01.16 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 heading 9903.01.16 apply to products of Canada including 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 temporary duty exemptions or reductions under subchapter II to chapter 99, shall be subject to the additional ad valorem rate of duty imposed by heading 9903.01.16.

The additional duties imposed by heading 9903.01.16 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 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 heading 9903.01.16 shall continue to be subject to antidumping, countervailing, or other duties, taxes, fees, exactions and charges that apply to such products.

Products of Canada that are provided for in heading 9903.01.16 that are otherwise eligible for the administrative exemption from duty and certain taxes at 19 U.S.C. 1321(a) (2)(C) — known as the “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.

(d) The HTSUS is modified as follows, to implement this provision: (i) by inserting the following new heading 9903.01.16 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/ Sub heading	Article Description	Rates of Duty		
		1		2
		General	Special	
"9903.01.16	Except for products described in 9903.01.11, 9903.01.12, and 9903.01.14, articles the product of Canada as provided for in subdivision (m) to note 2 to this subchapter and determined by CBP to have been transshipped to evade applicable duties.	The duty provided in the applicable subheading + 40%	The duty provided in the applicable subheading	The duty provided in the applicable subheading”

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