

July 31, 2025

RE: Brazil New Tariffs

Dear Valued Client,

The President has issued an executive order "Addressing Threats to the United States by the Government of Brazil" on July 30, 2025. This executive action falls under the International Emergency Economic Powers Act (IEEPA).

The order imposes an additional ad valorem duty rate of 40 percent. Note that the existing IEEPA reciprocal tariff will also apply to goods subject to the new rate bringing the total rate to 50%. This action shall be in addition to any other duties, fees, taxes, etc. applicable to such imports, unless subject to existing or future actions under section 232 of the Trade Expansion Act of 1962, in which case the duty imposed in this order shall not apply.

The ad valorem rate imposed in the order shall not apply to items listed in Annex I (includes a wide variety of goods such as silicon metal, pig iron, civil aircraft, Brazil nuts, orange juice, some energy products, wood pulps, certain paper, etc.) of the order or items excepted by 50 U.S.C. 1702 (b) – (i.e. postal, telegraphic, telephonic, or other personal communication, donations of food, clothing and medicine intended to relieve human suffering; merely informational materials; transactions ordinarily incident to travel to or from any country, including importation of accompanied baggage for personal use)).

The order provides an in-transit exception. Goods in transit that were loaded on to a vessel at the port of loading and in transit on the final mode of transit prior to 12:01 am EDT August 6, 2025, and were entered for consumption, or withdrawn from warehouse for consumption before 12:01 am EDT on October 5, 2025, the tariff will not apply.

Products admitted to an FTZ after 12:01 am EDT on August 6, must be admitted as privileged foreign status. Retaliation to this order could result in increased or expanded scope. There is no express prohibition to claiming duty drawback on these tariffs.

Click below to read more:

Addressing Threats to The United States by the Government of Brazil - The White House

<u>Fact Sheet: President Donald J. Trump Addresses Threats to the United States from the Government of Brazil – The White House</u>

https://www.jas.com/usa-compliance-blog/brazil-new-tariffs

Additional updates will follow once they are available. This is based on current information available at the time of release.

JAS Forwarding (USA) Inc.

PEOPLE

MAKE THE DIFFERENCE