

BREAKING

Supreme Court **Strikes Down** IEEPA Tariffs

In a 6-3 ruling, the Court holds that the International Emergency Economic Powers Act does not authorize the President to impose tariffs — reshaping U.S. trade policy overnight.

6 - 3 **Roberts** writing for the majority, joined by Gorsuch, Barrett, Sotomayor, Kagan & Jackson. **Thomas, Alito & Kavanaugh** dissent. The word **"regulate"** does not include the power to **tax**.

IMPACT BREAKDOWN

✘ Struck Down

"Reciprocal" Tariffs on All Trading Partners
10%+ baseline on imports from every country, imposed April 2025. Dozens of nations faced higher rates.
IEEPA AUTHORITY

Drug Trafficking Tariffs — Canada & Mexico
25% duty on most Canadian and Mexican imports, imposed to combat fentanyl trafficking.
IEEPA AUTHORITY

Drug Trafficking Tariffs — China
Escalated from 10% to 20%, stacking to an effective 145% rate on most Chinese goods.
IEEPA AUTHORITY

All Other IEEPA Modifications
Country-specific punitive tariffs, exemptions, pauses, and rate changes under IEEPA in 2025.
IEEPA AUTHORITY

✔ Still Stands

Section 232 — Steel & Aluminum Tariffs
25% tariffs on steel and aluminum. Authorized under the Trade Expansion Act, which explicitly references duties.
§232 AUTHORITY

Section 301 — China Trade Tariffs
Tariffs on Chinese goods targeting unfair trade practices, including those from Biden era and Trump's first term.
§301 AUTHORITY

Other Statutory Tariffs
Anti-dumping duties, countervailing duties, and tariffs imposed under specific congressional statutes.
STATUTORY AUTHORITY

Effective Rate Remains ~9%
Even without IEEPA tariffs, the U.S. effective rate stays well above the pre-2025 level of ~2%.
MULTIPLE AUTHORITIES

WHAT HAPPENS NEXT

01 Refunds Begin
~\$175B in IEEPA duties collected since Feb 2025. The Court of International Trade is positioned to order reliquidation and refunds to importers.

02 Admin Pivots to New Authorities
The White House will reimpose tariffs under §232, §301, and §338 — but those require investigations, hearings, and time.

03 Congress Takes the Stage
The Court said: get explicit authorization. Congress can amend IEEPA or pass new tariff legislation — but it requires votes.

~\$175B
IEEPA tariff revenue collected since Feb 2025

~60%
Share of all tariff revenue that came via IEEPA

~\$1,200
Est. annual household savings without IEEPA tariffs