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President Trump Restores Section 232 Tariffs on Canadian Aluminum

8.6.2020

The President announced late Thursday by way of a Presidential Proclamation the reinstatement of Section 232 tariffs on aluminum from Canada.

Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) permits tariffs to be imposed based on a finding that imports of a product are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States. Canada was one of many countries originally found to be subject to Section 232 tariffs on both aluminum and steel. The aluminum tariff is 10% and the steel tariff is 25%. Canada was exempted from these tariffs in May 2019. (See Butzel Long Client Alert from May 17, 2019.)

The current action affects only the tariffs on aluminum which were found by the Commerce Department to be increasing significantly. The new tariffs will be reinstated for imports entering after August 16, 2020. Importers are able to use an existing exclusion process for Section 232 to apply for exclusions on individual products if they are able to show that a particular product is unavailable in the U.S. Companies in the past have been able to obtain exclusions for products even if made in the USA if not available in sufficient quantities, or in required delivery times and meeting a company's quality specifications. Butzel Long has obtained such exclusions for a number of its clients.

Speculation about the resumption of Section 232 tariffs on Canadian aluminum has been rampant for the past weeks based on various statements from the White House, although a number of groups have opposed it. The pro-free-market Heritage Foundation noted that "the move would needlessly strain America's relationship with one of our longest-standing allies. It would also overturn previous commitments to remove trade barriers with our northern neighbor." They also noted that "The aluminum tariffs currently in place have cost American businesses and families \$2.1 billion since they were imposed."

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<https://www.heritage.org/trade/commentary/canadian-aluminum-not-threat-us-national-security>

Canada already issued a press statement citing that “The August 6th announcement by the United States to impose tariffs on certain Canadian aluminum products, citing national security concerns, is unwarranted and unacceptable.” See complete statement [here](#).

To date, Mexico still remains exempted from the list. Importers from Canada and their customers can consult their Butzel Long attorney for further guidance in applying for Section 232 tariff exclusions.

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