

# CLIENT ALERTS

---

## Court of International Trade Block “Liberation Day” and Other IEEPA-Based Tariffs ... For Now

### Client Alert

5.29.2025

Last night, a three-judge panel of the Court of International Trade (CIT) unanimously blocked President Trump’s tariffs under the International Emergency Economic Powers Act of 1977 (“IEEPA”). The court issued a summary judgment in two cases that blocks: 1) the 25% tariffs on non-USMCA (United States-Mexico-Canada Agreement) compliant goods from Canada and Mexico; 2) the 20% additional tariffs imposed on China in February and March; and 3) both the 10% “baseline” tariff and all “reciprocal” tariffs announced on “Liberation Day” (April 2, 2025). In its Wednesday opinion in the consolidated matters of *V.O.S. Selections, Inc., et. al. v. The United States of America, et. al.*, and *The State of Oregon, et. al. v. The United States Department of Homeland Security, et. al.*, the CIT panel determined that it would be unconstitutional for Congress to have delegated unbounded authority to implement tariffs, and that the scale of tariffs imposed by the Trump administration “lacked any identifiable limits.”

The judgment gives the government 10 days to wind down the tariffs. The court did not address refunding tariffs that have already been collected. The Department of Justice has already filed notice of an appeal to the of Appeals for the Federal Circuit, the decision of which could then also be appealed to the US Supreme Court. The administration also petitioned the CIT to pause any enforcement of its order while it pursues its appeals. Either of those appeals could result in a stay of implementation of the CIT judgment. The enforcement of currently in place IEEPA tariffs for the next ten days is unclear; without further judicial action, the Executive Orders implementing them will be vacated and their operation “permanently enjoined” in ten days.

### Related People

Catherine M. Karol  
Of Counsel

Mitchell Zajac  
Shareholder

Andrew S. AbdulNour  
Associate

### Related Services

Automotive Industry Team

International Business

International Trade and  
Customs Specialty Team

## CLIENT ALERTS

---

The Department of Justice has said that the CIT order would strip President Trump of leverage in his ongoing global trade negotiations, and that a stay is need to avoid immediate and irreparable harm to US foreign policy and national security. It also said it would seek emergency relief from the Supreme Court if the Federal Circuit Court has not acted by tomorrow.

The CIT ruling has no impact on existing or future Section 232 tariffs, including those on steel and aluminum (and derivatives) and automotive and automotive parts. Similarly, all existing Section 301 tariffs are unaffected. The CIT decision outlined several alternatives for the Trump administration to pursue its ambitious tariffs agenda – expansion of both Section 301 and 232 tariffs, as well as implementation of duration-limited tariffs under the previously unused Section 122 of the Trade Act of 1974. The Butzel Automotive and Tariffs groups are available to assist in dealing with tariffs and related issues. We will continue to update you as quickly and thoroughly as possible through these Client Alerts.

**Catherine M. Karol**

313.225.5308

karol@butzel.com

**Mitchell Zajac**

313.225.7059

zajac@butzel.com

**Andrew S. AbdulNour**

734.213.3251

abdulnour@butzel.com