# **CLIENT ALERTS**

# Suspension of *De Minimis* for Low-Value Import Shipments on August 29 May Disrupt Supply Chains, Especially Involving E-Commerce

### **Client Alert**

8.28.2025

On July 30, 2025, the Trump Administration enacted an executive order effectively eliminating the global duty-free *de minimis* process as of tomorrow, August 29, 2025. Previously, low-cost packages with a value of \$800 or less were excluded from tariffs and subject to less scrutiny than standard imports; however, that will no longer be the case. On May 2, 2025, the Trump Administration suspended *de minimis* treatment for low-value shipments from China and Hong Kong only. With this most recent executive order, the *de minimis* process is suspended for all countries.

Logistically, companies should consider how this change affects pricing of items being shipped to and from the United States. With this development, most low-value imports will be subject to formal entry for customs clearance and to all tariffs and fees that would otherwise be applicable. Imports of goods shipped through the international postal network will now face one of two tariffs—either an "ad valorem duty" equal to the effective tariff rate of the package's country of origin or a "specific duty" ranging from \$80 to \$200 per package depending on the country of origin's tariff rate. The specific duty method will only be available for six months, after which postal shipments must adhere to the ad valorem tariffs.

The elimination of the *de minimis* process will have a significant impact on supply chains that utilize e-commerce. At minimum, those utilizing e-commerce may experience higher costs, interruptions in the supply chain, and stricter customs inspections and requirements. Indeed, several international carriers have already halted goods shipments to the United States, at least temporarily.

# Related People

Jennifer M. Smith-Veluz Shareholder

Mitchell Zajac Shareholder

Catherine M. Karol Of Counsel

#### **Related Services**

International Business

International Trade and Customs Specialty Team



# **CLIENT ALERTS**

The Butzel International Trade, Tariffs and Customs Specialty Team is available to assist in dealing with tariffs and related issues. Please visit our Tariff and Trade Resource Center for additional up-to-date news on tariffs, trade, and business implications. We encourage you to reach out to the authors or your Butzel attorney for further information.

# Jennifer M. Smith-Veluz

202.454.2885 smithveluz@butzel.com

# Mitchell Zajac

313.225.7059 zajac@butzel.com

# Catherine M. Karol

313.225.5308 karol@butzel.com

