

CLIENT ALERTS

US Implements EU Trade Deal, Reducing Tariffs on EU Autos & Parts and Eliminating Tariffs on Certain Other Products

Client Alert

9.26.2025

Yesterday, September 25, 2025, the US Government published a Federal Register notice to implement aspects of the Framework Agreement between the United States and European Union. As detailed in our previous Client Alert, the agreement was announced on August 21 and would form the basis for the final United State-European Union (US-EU) trade agreement. On September 5, 2025, the President issued Executive Order 14346 to authorize tariff modifications outlined in the Framework Agreement.

The Framework Agreement provides for a flat 15% tariff on most EU exports to the US, including automobiles and parts, pharmaceuticals, and semiconductors. Tariffs on steel, aluminum, and copper remain at 50%. The EU plans to eliminate all tariffs on US industrial goods and open quotas for other US products.

Yesterday's notice officially amends the Harmonized Tariff Schedule of the United States (HTSUS) to adjust tariffs on certain EU products.

As a result, the total tariff on EU autos and auto parts subject to Section 232 tariffs under Proclamation 10908 is 15% or the normal/ Most Favorable Nation (MFN) rate under the HTSUS, whichever is greater. This change is retroactive to August 1, 2025.

The United States has also eliminated the additional reciprocal tariffs on EU products listed in Annex I to the notice, including civil aircraft; civil aircraft parts, engines, and components; and pharmaceuticals, among many others, retroactive to September 1, 2025.

Related People

Jennifer M. Smith-Veluz
Shareholder

Mitchell Zajac
Shareholder

Catherine M. Karol
Of Counsel

Heather W. Muir
Law Clerk

Related Services

International Business

International Trade and
Customs Specialty Team

CLIENT ALERTS

Companies can correct entries within 10 days of the cargo's release from CBP custody and prior to estimated duties being deposited to avoid needing refunds. Otherwise, companies can claim the retroactive tariff refunds by submitting Post-Summary Corrections.

As always, Butzel remains committed to closely tracking developments in trade, tariffs, and all key issues important to our clients. Our International Trade, Tariffs, and Customs Specialty Team is dedicated to helping businesses stay ahead of rapidly evolving tariff regulations and related challenges.

We will continue to monitor and share timely updates on trade and tariffs. For the latest insights and news, please explore our Tariff and Trade Resource Center. Should you have questions or need further guidance, please do not hesitate to contact the authors of this Client Alert or your Butzel attorney.

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

Heather W. Muir

313.983.7424

muir@butzel.com