

# Compliance Collective: Navigating Trump-Era Trade Policy—Section 232 and the Future of U.S. Tariffs

DECEMBER 18, 2025

# The Compliance Collective



This webinar is a part of our monthly webinar series, “The Compliance Collective.”

The webinar series is hosted by a team of cross-disciplinary Perkins Coie lawyers who provide a monthly overview and discussion forum on a critical hot topic in ethics and compliance. Each topic provides a look at emerging issues and offers creative solutions to potential compliance problems.

*The webinar is hosted every third Thursday at the same time each month: 10:00 a.m. PT/12:00 p.m. CT/1:00 p.m. ET.*

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# Agenda

- The Evolving Tariff Landscape
- The Basics of Sec. 232
- What Happens Next?



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Partner (almost)  
Regulatory Compliance & Disputes

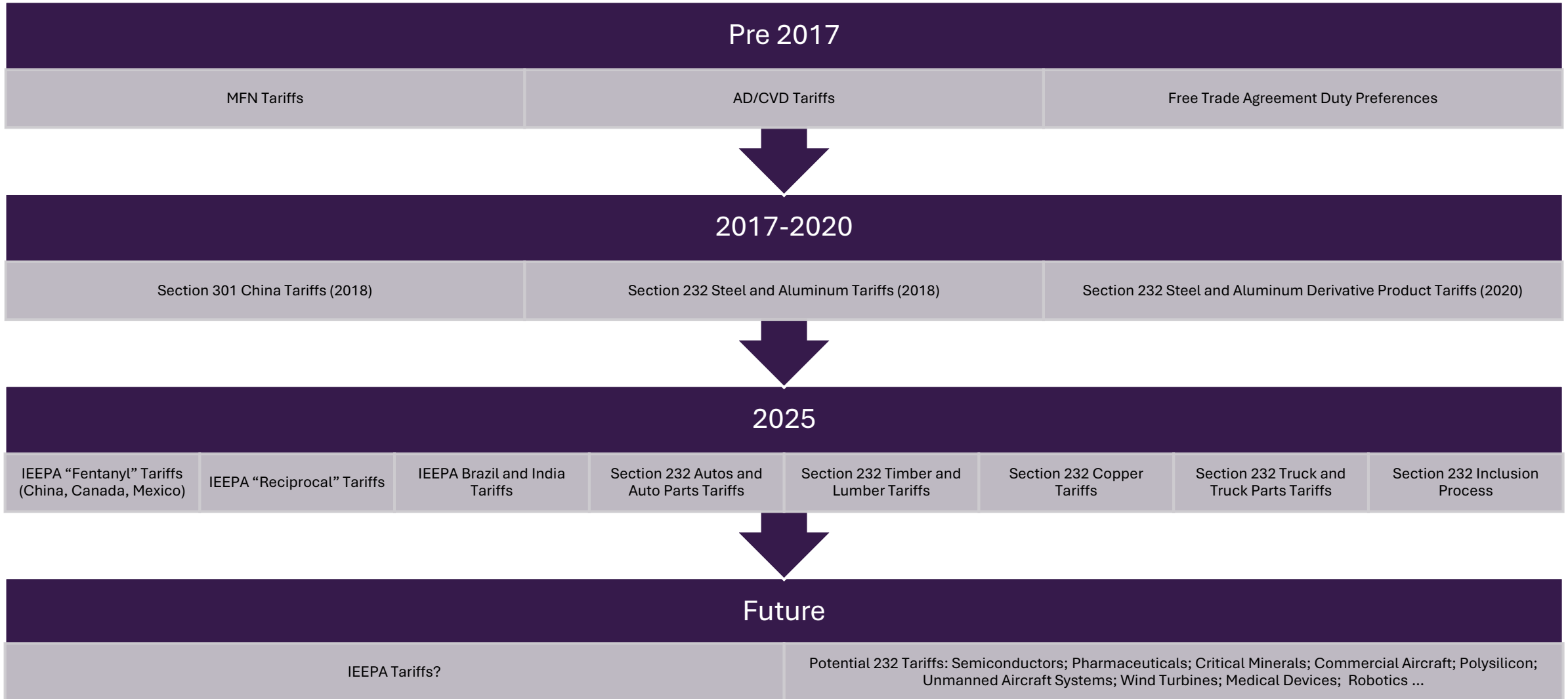


DID  
YOU SAY  
"TERRIFIED"  
OR  
"TARIFF-IED?"

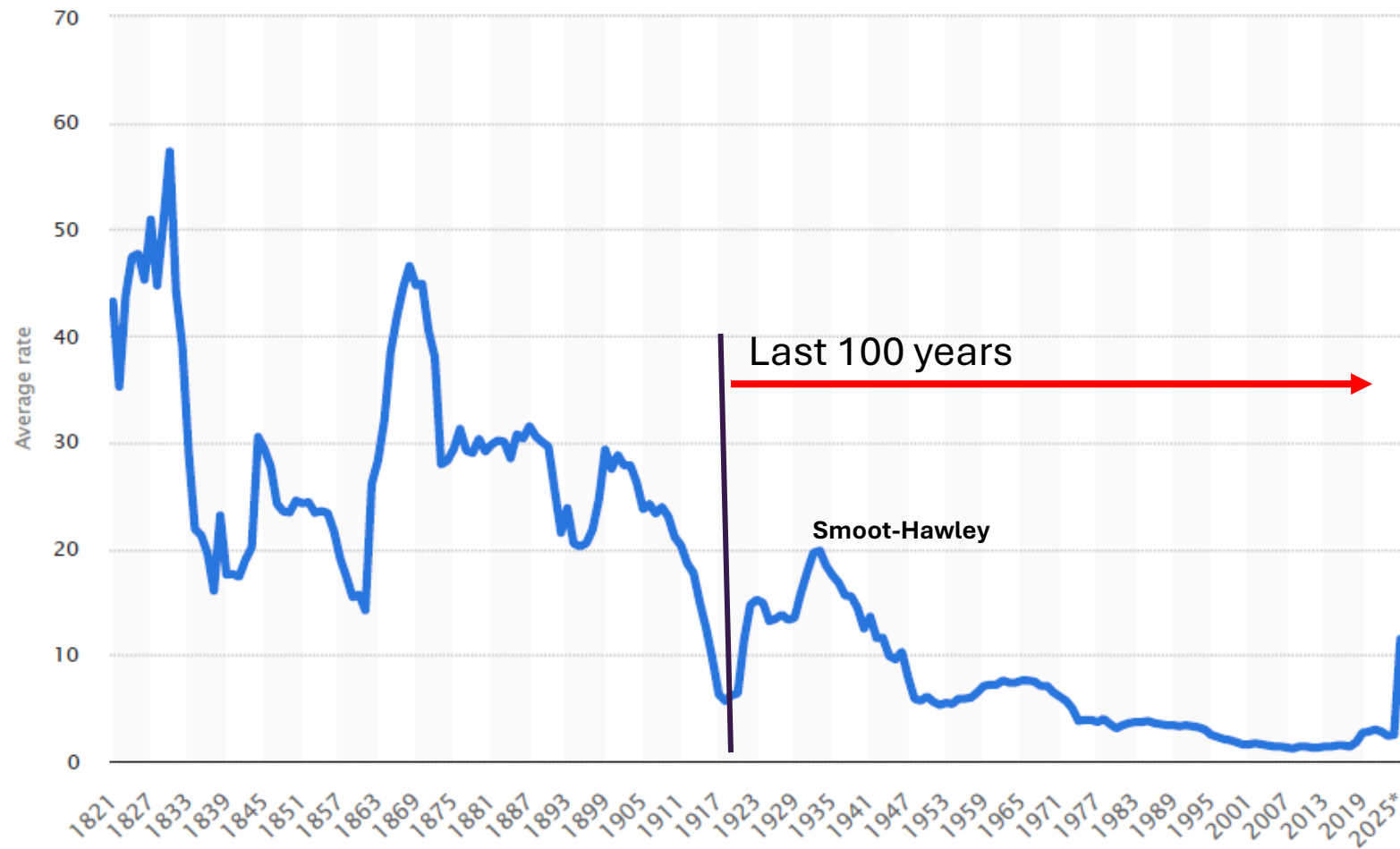
B. Rich  
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# The Evolving Tariff Landscape

# A Post-Modern History of Tariff Use



# Average Tariff Rate on All U.S. Imports



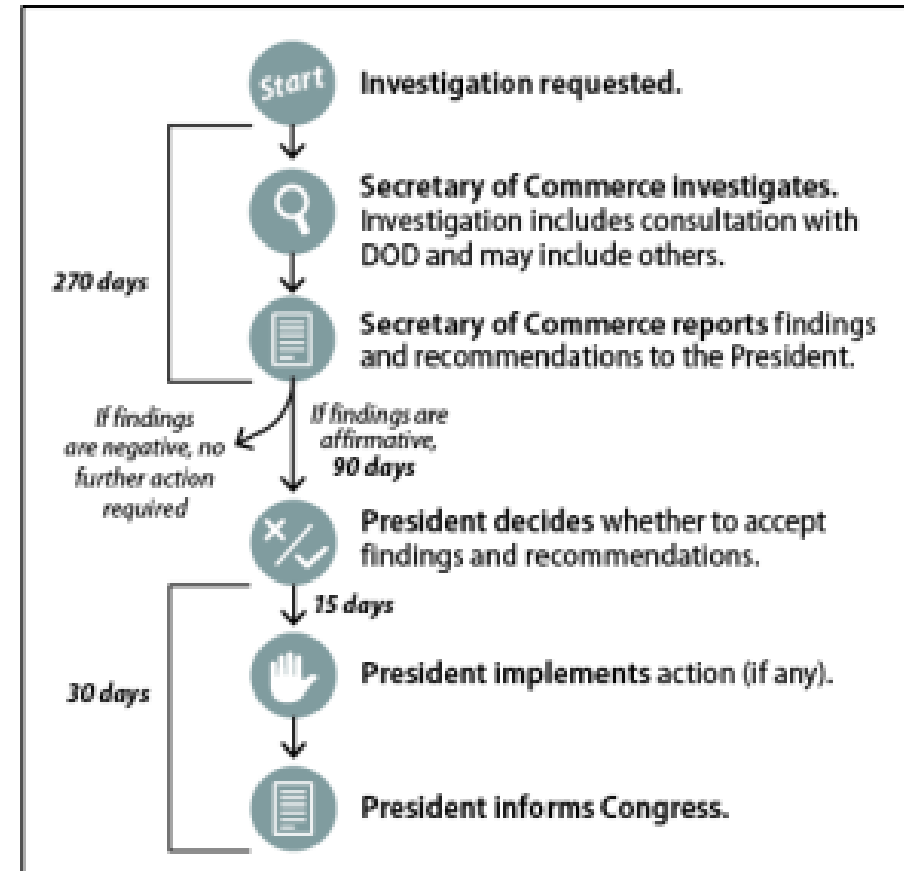
# The Basics of Section 232



## Section 232: Statutory Authority and Historical Context

- Allows the President to impose import restrictions based on Commerce determination that imports “threaten to impair U.S. national security”
- Notice and comment rulemaking
- Any “interested party” can petition for an investigation ...
- ... or USG can self-initiate
- Scope of each Section 232 tariff has limits and exemptions/exclusions

**Figure I. Section 232 Investigation Process**



# IEEPA vs. Section 232

## IEEPA

- Used to respond to national emergencies
- Has been applied to targeted countries
- No prior investigation required

## Sec. 232

- Used to protect specific U.S. industries
- Applies to targeted products from all sources
- Require an investigation by the U.S. Department of Commerce

# Section 232 in Practice: Steel, Aluminum, and Beyond

Section 232 was used rarely before 2018 and often did not result in any action

Between 1981 and 2017:

- 14 Section 232 investigations (most resulted in no tariff action)

Trump Administration began aggressively using Section 232 to impose tariffs based on the “national security threat” posed by various major industrial products

Since 2018

- 20 Section 232 investigations (12 initiated since March 2025)

Major sectoral tariffs (so far):

- Steel and Aluminum, and Derivative Products: 25%, later increased to 50%
- Copper 50%;
- Automobiles and Auto Parts: 25%
- Trucks and Truck Parts: 25%

# Section 232 Investigations Since 2018

2018-2024

Steel and Derivative Products

Aluminum and Derivative Products

Automobiles and Automobile Parts

Uranium\*

Titanium Sponge\*

Stacked Cores for Transformers\*

Vanadium\*

Permanent Magnets\*

2025

Copper

Timber and Lumbar

Trucks and Derivative Products

Semiconductors, Mfg Equip., and Derivatives

Pharmaceuticals and Their Ingredients

Critical Minerals and Derivative Products

Commercial Aircraft and Jet Engines

Polysilicon and Derivatives

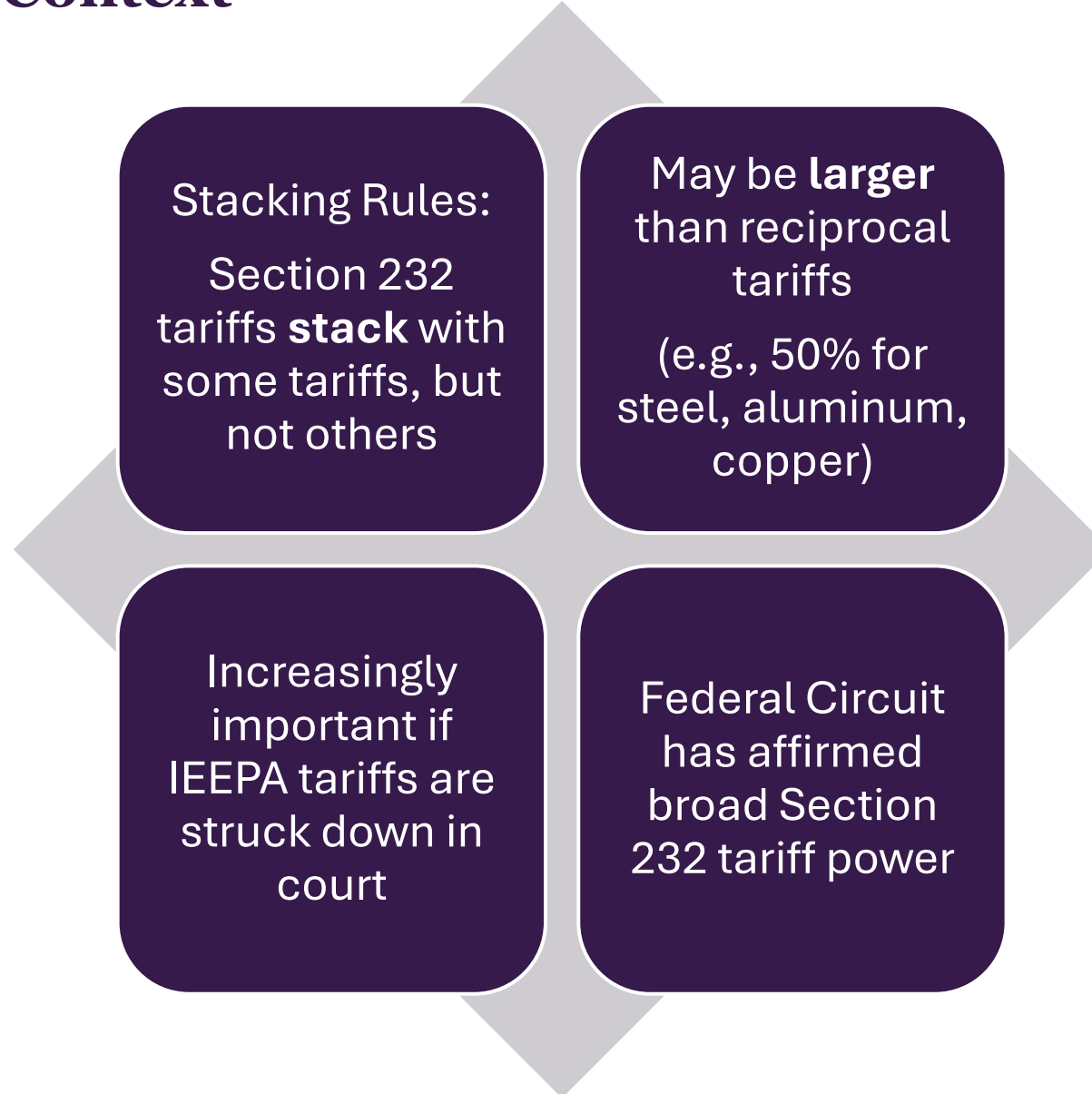
Unmanned Aircraft Systems and Parts

Wind Turbines and Parts / Components

PPE, Medical Consumables, and Medical Equipment

Robotics and Industrial Machinery

# Impact & Legal Context



# Section 232 Tariff Hierarchy

## 1. Section 232 Auto and Truck Tariffs

## 2. Section 232 Timber and Lumber Tariffs

## 3. Section 232 Metal Tariffs: Steel, Aluminum, Copper

- *Generally* only apply to the steel, aluminum, or copper content
- Accordingly, do not prevent application of other tariffs to remaining customs value

\* **Non-stacking:** Only one Section 232 duty can apply



# Tariff Stacking

## **NO** – Canada & Mexico IEEPA Trafficking Tariffs

- Behind 232 Autos, Trucks and Lumber
- Before 232 Metals

## **NO** – IEEPA Reciprocal Tariffs, India Tariffs, Brazil Tariffs

- Behind all 232 Tariffs

## **YES** – China IEEPA Trafficking Tariffs

## **YES** – China 301 Tariffs

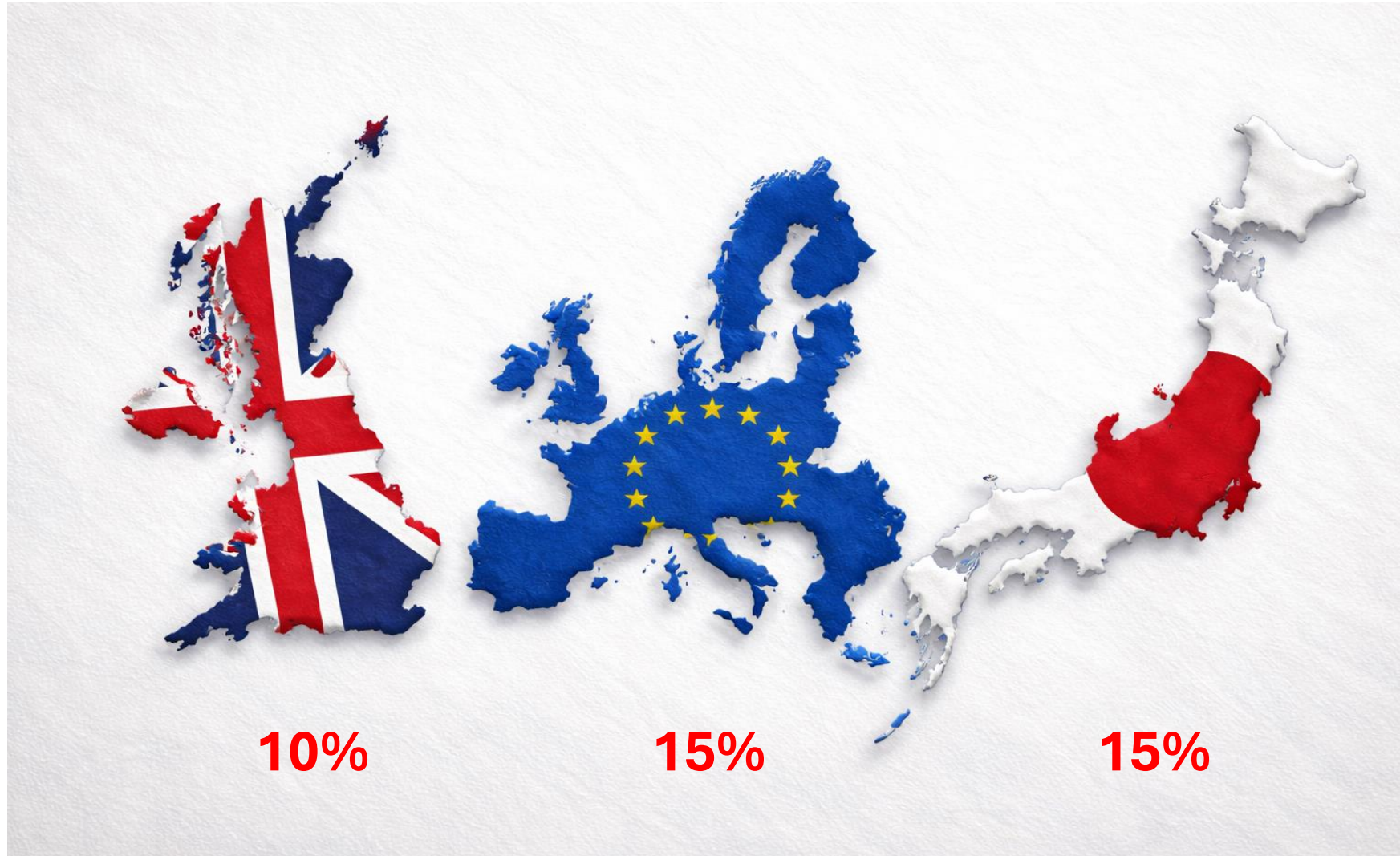
## **YES** – MFN Duties

\* **Preemption:** When Section 232 duties would normally apply, but the duties are not collected due to an exemption (e.g. USMCA or HTS Chapter 98), they still block tariffs that do not stack with Section 232 duties





# Caps





# Metal Content – Unresolved Questions



- Are duties applied to the value of the base metal, or to the fabricated metal?
- For Aluminum and Copper alloys, are duties applied to the value of the alloy, or only the aluminum or copper portion of the base alloy?
- Rumored CBP Base Metals CEE guidance memo

What Happens Next?

# Learning Resources, Inc. v. Trump

**PENDING**

Perkins  
Coie

Learning  
Resources, Inc.  
(Plaintiff)

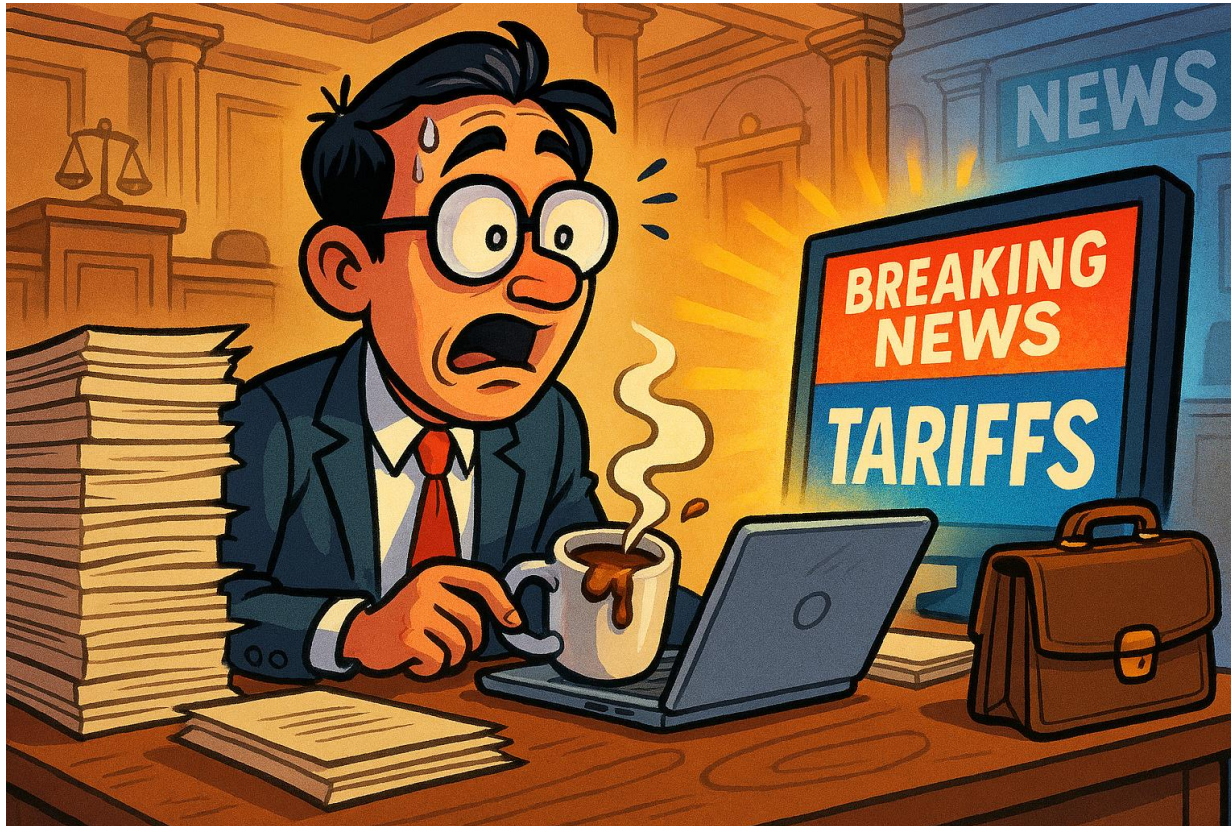
- Tariffs = Taxes
- IEEPA is for foreign sanctions, not domestic taxes
- Allowing tariffs under IEEPA shifts Congress's power to the President
- Tariffs harm U.S. companies

Trump  
Administration  
(Defendant)

- IEEPA grants broad emergency powers
- Tariffs protect U.S. interests from adversaries & unfair trade
- Congress gave the president wide latitude under IEEPA
- Delegation of tariff authority is constitutional



# Corporate Response



## Future Enforcement: What's Ahead?

“[W]e see combatting trade and customs fraud as essential to protecting our country’s interests. The Criminal Division is leading the Department’s efforts to investigate and prosecute trade fraud cases—with a particular focus on ... cases involving long-running efforts to evade hundreds of millions in tariffs”

Acting Assistant AG Matthew Galeotti  
Global Investigations Review Annual meeting, Sep. 19, 2025

# Future Enforcement: What's Ahead?

## DOJ Focus on Tariff Evasion

- DOJ Fraud Section has been instructed to prioritize tariff evasion cases
- Canada & EU exporters may see increased attention
- Whistleblower incentives and enhanced Customs resources support enforcement
- 3 recent cases against corporations, and more expected in the near future

## What Companies Should Know

- Key areas:
  - Country-of-origin claims,
  - Product classification,
  - Valuation practices
- Cross-border evidence sharing and frequent US travel may increase exposure for Canadian & EU firms

# Strategies for Navigating a Rapidly Shifting Tariff Landscape

Allocate Risk

Ensure Accurate  
HTS  
Classification

Customs  
Valuation  
Optimization

Country of Origin  
& Production  
Decisions

Leverage FTAs

Duty Drawback





Questions?



