



Escalating U.S. Tariffs: Timeline

Updated January 29, 2020

The trade practices of U.S. trading partners and the U.S. trade deficit are a focus of the Trump Administration. Citing these and other concerns, the President has imposed tariff increases under three U.S. laws:

- (1) Section 201 of the Trade Act of 1974 (**Table 1**) on U.S. imports of washing machines and solar products due to concerns over their injurious effects on domestic U.S. industry;
- (2) Section 232 of the Trade Expansion Act of 1962 (**Table 2**) on U.S. imports of steel and aluminum, and potentially motor vehicles/parts and titanium sponge due to concerns that imports threaten to impair the national security; and
- (3) Section 301 of the Trade Act of 1974 on U.S. imports from China (**Table 3**) due to concerns over its intellectual property rights practices, from the European Union (EU) due to concerns over subsidies on the manufacture of large civil aircraft, and potentially on U.S. imports from France (**Table 4**) due to concerns over its digital services tax (DST).

Congress delegated aspects of its constitutional authority to regulate foreign commerce to the President through these trade laws. These authorities allow the President, based on agency investigations, to take various actions, including imposing import restrictions to address specific concerns (see text box). They have been used infrequently in the past two decades, in part due to the 1995 creation of the World Trade Organization (WTO) and its enforceable dispute settlement system. Prior to this Administration, U.S. import restrictions were last imposed under these trade laws in 1986 for Section 232, in 2009 for Section 301, and in 2002 for Section 201. The President also proposed increasing tariffs on imports from Mexico using authorities delegated by Congress under the International Emergency Economic Powers Act (IEEPA), but they were subsequently suspended. The tables below focus on U.S. unilateral tariff actions and do not include Section 301 tariffs related to the large civil aircraft dispute with the EU, which were authorized by a WTO dispute settlement panel. For information on retaliatory tariffs by U.S. trading partners, see CRS Insight IN10971, *Escalating U.S. Tariffs: Affected Trade*.

Increasing U.S. tariffs or imposing other import restrictions through these laws potentially opens the United States to complaints that it is violating its WTO and free trade agreement (FTA) commitments. Several U.S. trading partners, including China and the European Union, have initiated dispute settlement proceedings and responded with retaliatory tariffs. The retaliatory actions also raise questions with regard to their adherence to WTO commitments, which the United States has raised.

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Timeline and Status of U.S. Trade Actions

The tables below provide a timeline of key events related to each trade action. In addition to tariffs, the President has imposed quotas, or quantitative limits, on U.S. imports of certain goods from specified countries, as well as tariff-rate quotas (TRQs), for which one tariff applies up to a specific quantity or value of imports and a higher tariff applies above that threshold.

Table I. Section 201 Global Safeguard Investigations

| | Table 1. Section 201 Global Saleguard Investigations | | | |
|----------------------------|---|--|--|--|
| Key Dates | 5/17/2017—U.S. industry petition initiates ITC injury investigation on solar cells/modules. 6/5/2017—U.S. industry petition initiates ITC injury investigation on large residential washers. 9/22/2017—ITC makes affirmative solar cells/modules injury determination. 10/5/2017—ITC makes affirmative large residential washers injury determination. 11/13/2017—ITC submits report and recommended action on solar cells/modules to President. 12/4/2017—ITC submits report and recommended action on large residential washers to President. 1/23/2018—President proclaims actions on solar cells/modules and large residential washers, effective February 7, 2018. 8/7/2019—ITC releases its mid-term review on the safeguard on large residential washers. 12/23/2019—ITC announces investigation, as directed by the President, to consider the economic effect of potentially increasing TRQ threshold for solar cells. | | | |
| | 1/23/2020—President proclaims change to quarterly basis for allocation of large residential washer quota, beginning February 7, 2020. Solar Collect a year TRO with 20% above quota tariff descending 5% annually. | | | |
| | Solar Cells: 4-year TRQ with 30% above quota tariff, descending 5% annually. Solar Modules: 4-year 30% tariff, descending 5% annually. | | | |
| U.S. Import Restriction | Large Residential Washers: 3-year TRQ, 20% in quota tariff descending 2% annually, 50% above quota tariff descending 5% annually. | | | |
| | Large Residential Washer Parts: 3-year TRQ, 50% above quota tariff, descending 5% annually. | | | |
| Countries Affected | Canada excluded from the duties on washers. Certain developing countries excluded if they account for less than 3% individually or 9% collectively of U.S. imports of solar cells or large residential washers, respectively. All other countries included. | | | |
| Current Status | Effective February 7, 2018. | | | |
| | | | | |

Table 2. Section 232 Steel, Aluminum, Auto, Uranium, and Titanium Sponge Investigations

- 4/2017—Commerce self-initiates investigations on U.S. steel and aluminum imports.
- 1/2018—Commerce submits steel and aluminum reports to President.
- 3/23/2018—United States imposes steel and aluminum duties. Temporary exemptions to May 1 in place for certain U.S. security partners (later extended to June 1).
- 4/30/2018—President exempts South Korea from steel duties; imposes a quota arrangement.
- 5/23/2018—Commerce self-initiates investigation on U.S. motor vehicle and parts imports.
- 5/31/2018—President permanently exempts Argentina and Brazil from steel duties, and Argentina from aluminum duties, based on quota arrangements. Australia permanently exempted from both duties without a quota.
- 7/18/2018—Commerce initiates uranium investigation based on industry petition.
- 2/17/2019—Commerce submits motor vehicle report to President (no public release).
- 3/4/2019—Commerce initiates titanium sponge investigation based on industry petition.
- 4/16/2019—Commerce submits uranium report to President (no public release).

Key Dates

- 5/17/2019—President proclaims motor vehicle and parts imports a national security threat and directs USTR to negotiate with European Union (EU), Japan, and others to resolve.
- 5/19/2019—President exempts Canada and Mexico from steel and aluminum duties. Canada, Mexico, and United States announce process for reinstating tariffs should imports surge.
- 7/12/2019—President does not concur with Commerce findings that uranium imports threaten to impair national security, but establishes U.S. Nuclear Fuel Working Group to develop recommendations to revive domestic industry.
- 10/14/2019—President announces plans to increase the steel tariffs on imports from Turkey to 50% in response to Turkish military actions but later suspends the planned increase.
- 11/19/2019—Commerce submits titanium sponge report to President (no public release).
- 12/2/2019—President announces plans to reinstate steel and aluminum tariffs on imports from Argentina and Brazil due to currency issues. (Tariffs have not been reinstated to date.)
- 1/24/2020—President proclaims certain derivative products of steel and aluminum (e.g., nails, wires, and select motor vehicle body parts) subject to 25% and 10% tariffs, respectively, effective February 8, 2020.

U.S. Import Restriction

Aluminum: 10% tariffs on certain aluminum and aluminum derivatives, effective indefinitely.

Steel: 25% tariffs on certain steel and steel derivatives, effective indefinitely.

Autos and Parts: No tariffs currently in effect, pending negotiations.

Countries Affected

Aluminum: Argentina,* Australia, Canada, and Mexico exempted. All other countries included.

Steel: Argentina,* Australia, Brazil,* Canada, Mexico, and South Korea* exempted. All other countries included.

Autos and Parts: EU, Japan, and other countries "deemed necessary" targeted for negotiations.

(*) Quantitative import restrictions imposed in place of tariffs.

Aluminum: Tariffs effective March 23, 2018. Effective February 8, 2020 for aluminum derivatives.

Steel: Tariffs effective March 23, 2018. Effective February 8, 2020 for steel derivatives.

Current Status

Autos and Parts: National security threat declared, but no import restrictions imposed within 180 days raising questions over possible expiration of tariff authority under this investigation.

Uranium: President determined imports are not a national security threat.

Titanium Sponge: Investigation completed. Determination on national security threat pending. (Retaliation also in effect, see CRS Insight IN10971, Escalating U.S. Tariffs: Affected Trade.)

Table 3. Section 301 Investigation of China's IP and Innovation Policies

- 8/14/2017—President directs USTR to consider investigation on China's laws, policies, practices, or actions affecting U.S. intellectual property and forced technology transfers.
- 3/22/2018—USTR releases Section 301 report and finds that China's policies are
 "unreasonable or discriminatory, and burden or restrict U.S. commerce." President signs
 memorandum proposing to (1) implement tariffs on certain Chinese imports; (2) initiate a
 WTO dispute settlement case against China's discriminatory technology licensing; and (3)
 propose new investment restrictions on Chinese efforts to acquire sensitive U.S. technology.
- 7/6/2018—United States imposes stage 1 tariffs (25% tariff on \$34 billion of U.S. imports).
- 8/23/2018—United States imposes stage 2 tariffs (25% tariff on \$16 billion of U.S. imports).
- 9/24/2018—In response to Chinese retaliatory tariffs, United States imposes stage 3 tariffs (10% tariffs on \$200 billion of U.S. imports).
- 12/1/2018—President announces new negotiations with China to resolve U.S. concerns.
- 5/5/2019—President tweets negotiations are moving too slowly, and plans to increase stage 3 tariffs to 25% and to prepare tariffs on remaining Chinese imports (stage 4, on approximately \$300 billion of U.S. imports).

Key Dates

- 5/10/2019—United States imposes stage 3 tariff increase to 25%.
- 8/2019—President Trump tweets that China has not followed through with commitments to buy U.S. agricultural products and USTR releases a two-part plan to impose 10% tariffs on approximately \$300 billion of U.S. imports (stage 4). The first part (4A) is to take effect on September 1, 2019; the second part (4B) is to take effect on December 15, 2019.
- 8/23/2019—In response to Chinese retaliatory tariffs, President Trump directs USTR to
 further increase tariffs by raising stage 1-3 tariffs to 30% in October 2019, and stage 4 tariffs
 to 15% on their effective dates (September 1, 2019 4A, December 15, 2019 4B).
- 9/1/2019—United States imposes stage 4A tariffs of 15%.
- 10/11/2019—President Trump suspends the proposed October tariff increases, and announces a forthcoming "phase one" deal with China.
- 12/15/2019—USTR suspends potential stage 4B tariffs of 15% before they take effect.
- 1/15/2019—United States and China sign "phase one" deal, addressing some trade and investment issues and committing China to purchase \$200 billion in additional U.S. exports. The agreement leaves in place the majority of existing tariffs.
- I/15/2020—USTR issues a notice to reduce stage 4A tariffs from 15% to 7.5%, effective February 14, 2020.

Stage I—25% import tariff on 818 U.S. tariff lines (approx. \$34 billion).

Stage 2—25% import tariff on 279 U.S. tariff lines (approx. \$16 billion).

Stage 3—25% import tariff on 5,733 U.S. tariff lines* (approx. \$200 billion).

U.S. Import Restriction

Stage 4A—15% import tariff on 3,229 U.S. tariff lines* (approx. \$126 billion) (proposed reduction to 7.5% on February 14, 2020).

Stage 4B—proposed 15% import tariff on 542 tariff lines (approx. \$156 billion) (suspended).

(*) A limited number of stage 3 tariff lines were adjusted to align with changes to the HTSUS in September 2018. Stage 3 and 4 tariff lists also include a small number of partial tariff lines.

Countries Affected

China.

Stage I—Effective July 6, 2018 (25%);

Stage 2—Effective August 23, 2018 (25%);

Current Status

Stage 3—Effective September 24, 2018 (10%), increased May 10, 2019 (25%), or June 15, 2019 on products exported from China before May 10 (25%);

Stage 4A—Effective September 1, 2019 (15%), proposed reduction February 14, 2020 (7.5%).

Stage 4B—Suspended indefinitely.

(Retaliation also in effect, see CRS Insight IN10971, Escalating U.S. Tariffs: Affected Trade.)

IN10943 · VERSION 20 · UPDATED

| Table 4. Section 301 Investigation of France's Digital Service Tax (DST) | Table 4. Section 3 | 01 Investigation | of France's Digita | Service Tax (| (DST) |
|--|--------------------|------------------|--------------------|---------------|-------|
|--|--------------------|------------------|--------------------|---------------|-------|

| Key Dates | 07/16/2019—USTR initiates investigation of France's Digital Services Tax (DTS). | | | |
|----------------------------|---|--|--|--|
| | 12/2/2019—USTR issues report on France's DST, finding the tax discriminates against major U.S. digital companies. | | | |
| | 12/6/2019—USTR seeks comments on proposed 100% tariffs on a preliminary list of French products, and schedules hearings for January 7 and 8. | | | |
| U.S. Import Restriction | Proposed (potentially up to 100%) tariff on selected imports from France (63 U.S. tariff lines, approx. \$2.4 billion in annual imports), and potential fees or restrictions on services from France. | | | |
| Countries Affected | France. | | | |
| Current Status | Proposed. | | | |
| | Table 5. Proposed Tariffs on Mexico under IEEPA | | | |
| | • 5/30/2019—President announces intent to invoke IEEPA authorities to impose 5% tariff on | | | |
| Key Dates | all imports from Mexico, starting June 10, 2019, and increasing by 5% monthly to 25% in response to concerns over Mexico's immigration policies affecting the United States. | | | |
| | 6/7/2019—President tweets that the United States reached an agreement with Mexico (see State Department announcement), suspending the proposed tariffs indefinitely. | | | |
| U.S. Import Restriction | Proposed 5% import tariff on all U.S. imports from Mexico, increasing by 5% monthly to a maximum of 25% (currently suspended). | | | |
| Countries Affected | Mexico. | | | |
| Current Status | Suspended indefinitely. | | | |
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