



# Regulatory News: Alerts & Updates

## US and China Reach Agreement to Temporarily Reduce Certain Tariffs

May 14, 2025

### SUMMARY

Effective May 14, 2025, the reciprocal tariffs imposed upon products of China, Hong Kong, or Macau will be temporarily reduced from 125% to 10% for 90 days.

### BACKGROUND

On April 2, 2025, President Trump issued EO 14257 titled "Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits." This EO applied reciprocal tariffs on all US trading parties, specifically applying a rate of 34% to China, Hong Kong, or Macau.

In addition to the reciprocal tariff, pursuant to Executive Order 14195 of February 1, 2025, "Imposing Duties to Address the Synthetic Opioid Supply Chain in the People's Republic of China," as amended by EO 14228 of March 3, 2025, "Further Amendment To Duties Addressing The Synthetic Opioid Supply Chain In The People's Republic Of China," products of China or Hong Kong that do not qualify for an exception remain subject to the additional ad valorem rate of duty of 20% imposed by those orders.

On April 8, 2025, President Trump issued EO 14259 titled "Amendment to Reciprocal Tariffs and Updated Duties as Applied to Low-Value Imports from the People's Republic of China." This EO increased the reciprocal tariff rate from 34% to 84% for products with a country of origin of China, Hong Kong, or Macau.

On April 9, 2025, President Trump issued EO 14266 titled "Modifying Reciprocal Tariff Rates to Reflect Trading Partner Retaliation and Alignment". This EO increased the reciprocal rate of duty from 84% to 125% for products with a country of origin of China, Hong Kong, or Macau effective April 10, 2025. Certain products were subsequently excluded from the 125% ad valorem duty. These excluded products are discussed in further detail in the April 14th FedEx Regulatory Alert titled "US Reciprocal Tariffs; Amendments and Exclusions" linked in the Resources section below.

## WHAT HAS CHANGED?

On May 12, 2025, a joint statement from both the United States and China announced the temporary suspension of certain tariffs. The May 12, 2025, EO titled “Modifying Reciprocal Tariff Rates to Reflect Discussion with the People’s Republic of China” states that beginning at 12:01 am Eastern Daylight Time on May 14, 2025, the 125% reciprocal tariff on products of China, Hong Kong, or Macau will be reduced to 10% for 90 days while the two countries continue negotiations.

Other tariff actions such as the Section 301 tariffs, the Section 232 tariffs, and the 20% tariff implemented by Executive Order 14228, will remain in effect for any impacted products of China, Hong Kong, or Macau.

## Q & A

**1. Do these tariffs apply to all products shipped from an affected country?**

No. The tariffs are applied based upon the product’s country of origin rather than the country from which the product was shipped. For example, a US\$2,000 shipment of widgets sent from Brazil but made in China would be affected by the 10% reciprocal tariff imposed upon products of China, in addition to all other applicable duties, taxes and fees specific to products of China, like the 20% tariffs implemented by Executive Order 14228 and Section 301 tariffs, if applicable.

**2. Does this announcement reinstate *de minimis* for products of China or Hong Kong?**

No. Products of China or Hong Kong are prohibited from receiving duty-free *de minimis* treatment. Please refer to FedEx Regulatory Alert “[US Customs Implements the Elimination of De Minimis Treatment for Certain Imports](#)” linked in the Resources section below for more information.

**3. Are the Section 301 tariffs upon certain products with a country of origin of China also paused during this 90-day suspension?**

No. Other duties, taxes and fees such as the Section 301 tariffs are not affected by the temporary suspension and must still be collected where applicable.

**4. Are the tariff rate reductions retroactive?**

No. The reduced reciprocal tariff rate is only applicable for goods entered for consumption, or withdrawn from a warehouse for consumption, on or after 12:01 a.m. EDT on May 14, 2025.

## RESOURCES

Executive Order: Modifying Reciprocal Tariff Rates to Reflect Discussion with the People’s Republic of China

<https://www.whitehouse.gov/presidential-actions/2025/05/modifying-reciprocal-tariff-rates-to-reflect-discussions-with-the-peoples-republic-of-china/>

Joint Statement on US-China Economic and Trade Meeting in Geneva

<https://www.whitehouse.gov/briefings-statements/2025/05/joint-statement-on-u-s-china-economic-and-trade-meeting-in-geneva/>

CSMS # 65029337 - Guidance – Modifying Reciprocal Tariff Rate for China

[https://content.govdelivery.com/bulletins/gd/USDHSCBP-3e044d9?wgt\\_ref=USDHSCBP\\_WIDGET\\_2](https://content.govdelivery.com/bulletins/gd/USDHSCBP-3e044d9?wgt_ref=USDHSCBP_WIDGET_2)

FedEx Regulatory Alert “US Reciprocal Tariffs; Amendments and Exclusions” published April 14, 2025  
[https://www.fedex.com/content/dam/fedex/us-united-states/International/upload/US\\_Reciprocal\\_Tariffs\\_Amendments\\_and\\_Exclusions.pdf](https://www.fedex.com/content/dam/fedex/us-united-states/International/upload/US_Reciprocal_Tariffs_Amendments_and_Exclusions.pdf)

FedEx Regulatory Alert “US Customs Implements the Elimination of De Minimis Treatment for Certain Imports” published April 30, 2025  
[https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/2025/FedEx\\_CA\\_EN\\_US-eliminates-de-minimis-treatment.pdf](https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/2025/FedEx_CA_EN_US-eliminates-de-minimis-treatment.pdf)

EO 14195 titled “Imposing Duties to Address the Synthetic Opioid Supply Chain in the People's Republic of China”  
<https://www.federalregister.gov/documents/2025/02/07/2025-02408/imposing-duties-to-address-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china>

FRN titled “Amended Notice of Implementation of Additional Duties on Products of the People’s Republic of China Pursuant to the President’s February 1, 2025, Executive Order Imposing Duties to Address the Synthetic Opioid Supply Chain in the People’s Republic of China”  
<https://www.federalregister.gov/documents/2025/02/12/2025-02576/amended-notice-of-implementation-of-additional-duties-on-products-of-the-peoples-republic-of-china>

EO 14256 titled “Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People’s Republic of China as Applied to Low-Value Imports”  
<https://www.federalregister.gov/documents/2025/04/07/2025-06027/further-amendmentto-duties-addressing-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of>

EO 14259 titled “Amendment to Reciprocal Tariffs and Updated Duties as Applied to Low-Value Imports from the People’s Republic of China”  
<https://www.federalregister.gov/documents/2025/04/14/2025-06378/amendment-to-reciprocal-tariffs-and-updated-duties-as-applied-to-low-value-imports-from-the-peoples>

EO 14266 titled “Modifying Reciprocal Tariff Rates to Reflect Trading Partner Retaliation and Alignment”  
<https://www.federalregister.gov/documents/2025/04/15/2025-06462/modifying-reciprocal-tariff-rates-to-reflect-trading-partner-retaliation-and-alignment>