



Regulatory News Alerts & Updates

Regulatory Alert: United States -Japan agreement implementation

October 23, 2025

Overview

The United States (US) and Japan have finalized a trade agreement changing how Japanese products are tariffed when entering the US. This agreement establishes a **baseline 15% tariff** on nearly all imports from Japan, while also creating special rules for automobiles, automobile parts, civil aircraft, and civil aircraft parts. Certain products subject to Section 232 actions remain exempt.

These changes apply **retroactively to August 7, 2025, for general reciprocal tariffs** (i.e., Japanese commodities not specifically covered under automobiles, automobile parts, aerospace provisions, or those products already subject to Section 232 duties or otherwise exempted from reciprocal tariffs), and effective **September 16, 2025**, for automobiles, automobile parts, and aerospace products.

What has changed for general reciprocal tariffs?

- If the column 1 duty rate is greater than or equal to 15%, no additional reciprocal tariff applies.
 - Report as **9903.02.72**.
- If the column 1 duty rate is less than 15%, the combined rate is raised to 15%.
 - Report as **9903.02.73**.

What has changed for automobiles and automobile parts?

Automobiles

- If the column 1 duty rate is greater than or equal to 15%, no additional Section 232 duty applies.
 - Report as **9903.94.40**.
- If the column 1 duty rate is less than 15%, the combined rate = 15%.
 - Report as **9903.94.41**.

Automobile parts

- If the column 1 duty rate is greater than or equal to 15%, no additional Section 232 duty applies.
 - Report as **9903.94.42**.
- If the column 1 duty rate is less than 15%, the combined rate = 15%.
 - Report as **9903.94.43**.

What has changed for aerospace products?

- Civil aircraft and parts from Japan (covered by the Civil Aircraft Agreement, excluding unmanned aircraft) are no longer subject to reciprocal tariffs or Section 232 duties.
 - Report as **9903.96.02**.
 - Information or statements indicating the product is for civil aviation use must be included with entry documents.

What has changed for exemptions?

- Products of Japan which are subject to Section 232 actions **remain exempt** from reciprocal tariffs.
- Continue to use **9903.01.33** for:
 - Aluminum (Proclamation 9704)
 - Steel (Proclamation 9705)
 - Copper (Proclamation 10962)
 - Automobiles and parts (Proclamation 10908)

Reporting instructions

- Apply the correct Chapter 99 Harmonized Tariff Schedule of the United States (HTSUS) (see above) alongside the Chapter 1–97 HTSUS for the commodity.
- Automated Commercial Environment (ACE) will calculate and apply the 15% duty rate where applicable.

Q&A

Q1: Are the tariff changes retroactive?

A2: General reciprocal tariffs (9903.02.72 and 9903.02.73) apply retroactively to August 7, 2025. Automobiles, auto parts, and aerospace changes apply beginning September 16, 2025.

Q2: Which additional HTSUS numbers must be used for automobiles and parts that are products of Japan?

A2: For Automobiles:

- 9903.94.40 or 9903.94.41.

For Parts:

- 9903.94.42 or 9903.94.43.

Q3: How are civil aircraft treated under the United States-Japan Agreement?

A3: Eligible civil aircraft and parts with a country of origin of Japan use 9903.96.02 and are exempt from reciprocal and Section 232 duties.

Q4: What about Section 232 products?

A4: Products such as aluminum, steel, copper, automobiles, and automobile parts under earlier proclamations remain exempt from reciprocal duties. Continue to use **9903.01.33**.

Q5: How can I obtain a refund for eligible products imported during the retroactive period?

A5: Customers seeking refunds may file a Post Summary Correction (PSC) for unliquidated entries or a protest for entries that have liquidated but are within the protest period.

For FedEx air express shipments, submit a completed Clearance Charges Dispute form (linked below) to dutytaxdisputes@fedex.com. That form may be found at <https://www.fedex.com/content/dam/fedex/us-united-states/services/FedEx-DTDispute-Form.pdf>

Resources

Implementing the United States–Japan Agreement

<https://www.govinfo.gov/content/pkg/FR-2025-09-09/pdf/2025-17389.pdf>

Implementing Certain Tariff-Related Elements of the United States-Japan Agreement

<https://www.federalregister.gov/documents/2025/09/16/2025-17908/implementing-certain-tariff-related-elements-of-the-united-states-japan-agreement>

CSMS # 66242844 - Updated Guidance - Implementation of the United States-Japan Agreement and Modification of Duties on Imports from Japan

<https://content.govdelivery.com/bulletins/gd/USDHSCBP-3f2c91c>

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