

Effective March 4, 2025: The Trump Tariffs Are Here

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Following the 30-day [temporary reprieve](#), the 25% tariff on imports from Canada, with a 10% tariff on Canadian energy resources, are effective as of 12:01 AM on March 4, 2025. Canada has responded in kind with effecting retaliatory tariffs of its own of 25% on United States imports.

US Tariffs

As outlined in a [previous article](#), a 25% tariff on imports from Canada with a 10% tariff on Canadian energy resources was announced effective February 4, 2025. Amid negotiations, this date was delayed by 30 days to be effective March 4, 2025.

The White House released a fact sheet entitled [President Donald J. Trump Proceeds With Tariffs On Imports From Canada and Mexico](#) noting the Canada and Mexico's "failure to arrest traffickers, seize drugs, or coordinate with US law enforcement constitutes an unusual and extraordinary threat to America's security."

Just ahead of the effective date, US Customs and Border Protection issued [guidance](#) on the application of the tariffs:

- The 25% duty will apply to the import of all articles from Canada, other than:
 - Donations of articles such as food, clothing, and medicine intended to relieve human suffering
 - Informational materials like publications, films, posters, photographs, tapes compact disks, CD ROMs, artwork, and news wire feeds
 - Products for personal use included in an accompanying baggage
 - Energy resources as described below
- The 10% duty on imports of energy resources will apply to crude oil, natural gas, lease condensates, natural gas liquids, refined petroleum products, uranium, coal, biofuels, geothermal heat, the kinetic movement of flowing water, and critical minerals.
- The above duties will not apply to goods which are properly claimed under chapter 98 (*special classifications*).
- The de-minimis exemption from duty and certain taxes will continue to be available for these products. President Trump issued an executive order entitled [Amendment to Duties To Address The Flow Of Illicit Drugs Across Our Northern Border](#) (EO) to amend the original Executive Order dated

February 3, 2025, and permit the duty-free de minimis treatment of articles subject to the tariffs.

Canada Retaliatory Tariffs

In response, the Government of Canada is imposing retaliatory tariffs on imports worth \$155 billion from the United States in two phases, previously discussed [here](#).

First Phase

The Government of Canada imposed retaliatory tariffs, as part of the first phase of their response, on imports worth \$30 billion from the United States.

The Government of Canada issued the [United States Surtax Order](#) (2025) imposing an additional 25% ad valorem rate of duty on imports from the United States on goods including dairy and food products, iron, steel and precious metals, tobacco products, leather, wood, and articles of wood. The full list is also published by the [Department of Finance](#).

The 25% tariff from the Surtax Order does not apply if:

- Goods are classified under heading 40.11 (new pneumatic tires, or rubber) of the Schedule to the *Customs Tariff* that are used as equipment in the production of vehicles, machines, or appliances; and
- Goods are classified under chapters 98 and 99 of the *Customs Tariff* but are not listed in the Surtax Order. This exclusion applies where these goods *could* be classified under a different tariff item in the Surtax Order as well.

Second Phase

The Government of Canada has also issued a [Notice of Intent](#) to impose a second round of tariffs on imports worth \$125 billion. The Government proposes to impose the tariffs on goods including aluminum, iron and steel products, certain types of wood, and industrial and electronic equipment. The full list of goods is set out in Table 1 of the Notice.

The Government is holding a 21-day comment period (i.e., until March 25, 2025) and has invited businesses, stakeholders, and Canadians to provide their views on the impact of the tariffs on the proposed list of goods. Responses can be filed with the Government through a comment submission form available [here](#).

Remission Requests

The Government of Canada has also [announced](#) a process for remission requests for the tariffs on products from the United States that apply beginning on March 4, 2025.

Businesses may apply for remissions by submitting requests to remissions-remises@fin.gc.ca, in two circumstances:

- To address situations where goods used as inputs cannot be sourced domestically, either on a national or regional basis, or reasonably from non-US sources; or
- To address, on a case-by-case basis, other exceptional circumstances that could have severe adverse impacts on the Canadian economy.

If granted, remission allows for relief from the payment of tariffs, or the refund of tariffs already paid.

The Cassels [International Trade Group](#) will continue to monitor these developments and issue alerts to assist businesses in preparing for these uncharted waters that lie ahead.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.