

## How Customs Brokers Can Leverage USMCA to Avoid New Tariffs

With the introduction of new tariffs under the Trump administration, customs brokerages play a more critical role in minimizing duty payments for importers. Many products that were previously duty-free under their HS classification are now subject to tariffs. However, brokers can use the USMCA trade agreement as a backstop to help importers eliminate these duties by proving North American origin.

## **Finding the Right HS Code**

Some HS codes inherently have a 0% duty rate, meaning they are not impacted by the new tariffs.

- Example: Certain medical devices, agricultural products, and raw commodities remain duty-free based on classification alone.
- Challenge: With new tariffs in place, some previously duty-free items may now be subject to duties unless an alternative strategy is used.

## **Utilizing USMCA as a Backup to Avoid Tariffs**

If a product is now subject to tariffs despite having been duty-free in the past, brokers should verify if it qualifies under USMCA for preferential duty treatment.

- · How It Works:
- If an importer has a valid USMCA certificate, the goods may still enter duty-free—even if their HS code now has a duty rate.
- Customs brokers can guide importers through the certification process to ensure compliance and maximize savings

click HERE for industry specific examples

## **Why This Matters for Customs Brokers & Importers?**

- Increased Demand for Customs Expertise: With new tariffs affecting import costs, businesses will rely on brokers more than ever to navigate classifications and trade agreements.
- Financial Savings for Clients: Ensuring USMCA certification means importers can avoid unexpected tariff costs, making their supply chains more competitive.
- Competitive Advantage for Brokers: Brokers who proactively secure USMCA certification for their clients will stand out in the industry as essential trade partners.

The changing tariff landscape means importers need to be more strategic in their customs processes. By leveraging USMCA as a backstop, customs brokers can help businesses avoid unnecessary duty payments and remain compliant with shifting trade policies. This presents a major opportunity for brokers to add value, secure more clients, and provide cost-saving solutions in an increasingly protectionist trade environment.