PRESIDENTIAL ACTIONS

AMENDMENTS TO ADJUSTING IMPORTS OF AUTOMOBILES AND AUTOMOBILE PARTS INTO THE UNITED STATES

Proclamations | April 29, 2025

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. On February 17, 2019, the Secretary of Commerce (Secretary) transmitted to me a report on his investigation into the effects of imports of passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and light trucks (collectively, automobiles) and certain automobile parts (engines and engine parts, transmissions and powertrain parts, and electrical components) (collectively, automobile parts) on the national security of the United States under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) (section 232). Based on the facts considered in that investigation, the Secretary found and advised me of his opinion that automobiles and certain automobile parts are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States.
2. In Proclamation 9888 of May 17, 2019 (Adjusting Imports of Automobiles and Automobile Parts Into the United States), I concurred with the Secretary's finding in the February 17, 2019, report that automobiles and certain automobile parts are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States. I directed the United States Trade Representative (Trade Representative), in consultation with other executive branch officials, to pursue negotiation of agreements to address the threatened impairment of the national security of the United States with respect to imported automobiles and certain automobile parts from certain countries. The Trade Representative's negotiations did not lead to any agreements of the type contemplated by section 232. I also directed the Secretary to monitor imports of automobiles and certain automobile parts and inform me of any circumstances that, in the Secretary's opinion, might indicate the need for further action under section 232 with respect to such imports.
3. In Proclamation 10908 of March 26, 2025 (Adjusting Imports of Automobiles and Automobile Parts Into the United States), I found, based on information newly provided by the Secretary, that imports of automobiles and certain automobile parts continued to threaten to impair the national security of the United States and deemed it necessary and appropriate to impose a tariff system to adjust imports of automobiles and certain automobile parts so that such imports will not threaten to impair national security. The tariffs on automobiles have been in effect since 12:01 a.m. eastern daylight time on April 3, 2025; the tariffs on automobile parts are set to go into effect on or after 12:01 a.m. eastern daylight time on May 3, 2025.
4. In Proclamation 10908, I also deemed it necessary and appropriate to establish processes to identify and impose tariffs on additional automobile parts to ensure that the tariffs on automobiles and certain automobile parts are not circumvented and that the purpose of this action to eliminate the threat to the national security of the United States by imports of automobiles and certain automobile parts is not undermined. I directed the Secretary to set up such a process within 90 days of the date of Proclamation 10908.
5. In Proclamation 10908, I also directed the Secretary to continue to monitor imports of automobiles and automobile parts, to review the status of such imports with respect to national security, and to inform me of any circumstances that, in the Secretary's opinion, might indicate the need for further action by the President under section 232. The Secretary has advised me that additional action is warranted in the interest of meeting the national security objectives outlined in Proclamation 10908.
6. In my judgment, it is necessary and appropriate to modify the system of monetary fees and related measures imposed to adjust imports of automobiles and certain automobile parts pursuant to Proclamation 10908 to more effectively eliminate the threat imports of automobiles and certain automobile parts pose on the national security of the United States.
7. I determine that the modified system, by linking the ultimate monetary fee imposed on imports of automobile parts to the imports' use in assembly of automobiles within the United States, in the way and on the timeline described below, will adjust imports of automobiles and automobile parts and more effectively eliminate such imports' threat to impair national security. I find that the modified system will more effectively eliminate the national security threat because it will more quickly reduce reliance on foreign manufacturing and importation of automobiles and automobile parts; strengthen United States vehicle assembly operations by encouraging companies to expand domestic production capacity, which is critical to a strong domestic defense industrial base; shift manufacturing activity into the United States; increase domestic automotive research and development so that American-owned producers can produce cutting-edge technologies that are essential to the United States defense industrial base and our military superiority; create jobs in the automotive industry that increase the number of employees in the domestic automotive industry; and ensure that other benefits of production are concentrated in the United States.
8. Section 232 authorizes the President to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security of the United States so that such imports will not threaten to impair national security.
9. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTSUS) the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.
NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code; section 604 of the Trade Act of 1974, as amended; and section 232 of the Trade Expansion Act of 1962, as amended, do hereby proclaim as follows:
(1) To more effectively eliminate the threat to impair national security posed by imports of automobiles and automobile parts, I find that it is necessary to modify the system imposed in Proclamation 10908 by reducing duties assessed on automobile parts accounting for 15 percent of the value of an automobile assembled in the United States for 1 year and equivalent to 10 percent of that value for an additional year as follows:
(a) For automobiles assembled in the United States, automobile manufacturers shall be eligible to receive an import adjustment offset amount applicable to section 232 duties on automobile parts based on the following schedule:
(i) The automobile manufacturer may apply for an import adjustment offset amount equal to 3.75 percent of the aggregate Manufacturer's Suggested Retail Price (MSRP) value of all automobiles assembled in the United States from April 3, 2025, through April 30, 2026.
(ii) The automobile manufacturer may apply for an import adjustment offset amount equal to 2.5 percent of the aggregate MSRP value of all automobiles assembled in the United States from May 1, 2026, through April 30, 2027.
(b) The percentage rate provided in subsection (i) reflects the total duty that would be owed when a 25 percent duty is applied to parts accounting for 15 percent of an automobile's MSRP value. The percentage rate provided in subsection (ii) reflects the total duty that would be owed when a 25 percent duty is applied to parts accounting for 10 percent of an automobile's MSRP value.
(c) Only automobiles that undergo final assembly in the United States are eligible to be included in this calculation. The manufacturer's import adjustment offset amount may only be used by importers of record authorized by that manufacturer, and the amount may only be used to offset tariff liability related to that manufacturer's automobile parts tariff liability under Proclamation 10908. Should a manufacturer's import adjustment offset amount exceed the total amount attributable to that manufacturer's automobile parts tariff liability under Proclamation 10908, the relief is capped at the total amount of that manufacturer's automobile parts tariff liability under Proclamation 10908, and the manufacturer may not use the additional amount above that cap to offset any other tariff liability. A manufacturer with an approved import adjustment offset amount may determine the importers of record eligible to decrement against that manufacturer's import adjustment offset amount, and that list of importers of record may include suppliers in that manufacturer's supply chain for automobiles assembled in the United States if the manufacturer so chooses.
(2) (a) Within 30 days of the date of this order, the Secretary shall establish a process by which manufacturers seeking an import adjustment offset amount shall submit to the Secretary:
(i) documentation certifying the number of automobiles the manufacturer projects it will assemble in the United States, as well as a list of all plant locations where the projected automobiles will undergo final production;
(ii) documentation certifying the manufacturer's projected cost of tariffs due to imported automobile parts subject to Proclamation 10908, broken down by tariff costs the manufacturer will incur directly and tariff costs the manufacturer will incur from its suppliers;
(iii) documentation detailing the total import adjustment offset amount requested within the schedule determined by the Secretary in accordance with this proclamation;
(iv) documentation identifying the importer(s) of record, including importer of record numbers, eligible to use that manufacturer's import adjustment offset amount, as well as the amount of the manufacturer's offset amount allotted to each importer of record; and
(v) a certification, signed by a senior officer of the manufacturer, attesting under penalty of perjury that the information submitted under subsections (i) through (iv) is true, complete, and accurate to the best of the manufacturer's knowledge, and that the manufacturer has conducted reasonable due diligence to verify the accuracy of the assertions and facts contained in its submissions.
(b) Upon verification of the completeness and accuracy of a manufacturer's submission and the manufacturer's eligibility, the Secretary shall approve the application and notify U.S. Customs and Border Protection (CBP) with the information necessary for CBP to administer and implement the manufacturer's import adjustment offset amount, including importer of record number(s) for the importer(s) eligible to use each offset amount and the approved import adjustment offset amount. CBP shall confer the approved offset amount to the approved importer(s) of record using processes and mechanisms consistent with CBP's operational framework and tariff administration procedures, including offset against current tariff obligations due at the time of entry, or other lawful methods.
(3) The Secretary, in consultation with the Secretary of the Treasury and the Commissioner of CBP, shall issue such regulations, guidance, and procedures as necessary to carry out the provisions of this proclamation and Proclamation 10908, and may establish standards for determining United States content and for validating manufacturer certifications.
(4) The Secretary, in consultation with the United States International Trade Commission and CBP, shall determine whether modifications to the HTSUS are necessary to effectuate this proclamation and may make such modifications through notice in the *Federal Register*if needed.
(5) CBP shall begin providing approved importers with an import adjustment offset amount as soon as practicable and may request information from importers of record as necessary to implement a particular manufacturer's import adjustment offset amount.
(6) Should an importer claim and receive any import adjustment offset amount from CBP in excess of the amount approved by the Secretary, CBP may assess monetary penalties in the maximum amount permitted by law.
(7) The Secretary shall continue to monitor imports of automobiles and automobile parts. The Secretary also shall, from time to time, in consultation with any senior executive branch officials the Secretary deems appropriate, review the status of such imports with respect to national security. The Secretary shall inform the President of any circumstances that, in the Secretary's opinion, might indicate the need for further action by the President under section 232. The Secretary shall also inform the President of any circumstance that, in the Secretary's opinion, might indicate that the duty rate provided for in Proclamation 10908, or any proclamation issued pursuant thereto, is no longer necessary.
(8) Any provision of previous proclamations and Executive Orders that is inconsistent with the actions taken in this proclamation is superseded to the extent of such inconsistency. This proclamation shall apply in accordance with the Executive Order of April 29, 2025 (Addressing Certain Tariffs on Imported Articles).
IN WITNESS WHEREOF, I have hereunto set my hand this
twenty-ninth day of April, in the year of our Lord two thousand twenty-five, and of the Independence of the United States of America the two hundred and forty-ninth.

DONALD J. TRUMP