



Supreme Court Rules Against Tariffs Imposed Under the International Emergency Economic Powers Act (IEEPA)

February 23, 2026

On February 20, 2026, the U.S. Supreme Court issued its [decision](#) in *Learning Resources, Inc. v. Trump* and *Trump v. V.O.S. Selections, Inc.*, two appeals concerning tariffs President Trump had imposed under the International Emergency Economic Powers Act (IEEPA). In an opinion [authored](#) by Chief Justice Roberts, the Court [held](#) that IEEPA does not give the President authority to impose tariffs. The Court thus affirmed a [lower court decision](#) that invalidated two sets of IEEPA tariffs: one set of tariffs on imports from Canada, Mexico, and the People’s Republic of China (PRC) based on declared emergencies concerning illicit drugs, and another set of tariffs on most other U.S. imports based on a declared emergency concerning the U.S. trade deficit. Six other Justices wrote opinions in concurrence or dissent.

This Legal Sidebar explains the context and background for the Supreme Court’s decision, the opinions of the Court and individual Justices, and potential ramifications of the Court’s decision for current and future U.S. tariff actions.

Background on Tariff Authorities, IEEPA, and Lower Court Decisions

Article I of the U.S. Constitution gives Congress the power to [impose import tariffs](#) and [regulate foreign commerce](#). Congress, in turn, has enacted [several laws](#) authorizing the executive branch to impose tariffs in various circumstances. The executive branch has utilized some of these laws in recent administrations, imposing tariffs on [steel and aluminum](#), [automobiles and parts](#), and other products under [Section 232 of the Trade Expansion Act of 1962](#) (Section 232, [19 U.S.C. § 1862](#)) and tariffs on many imports from the PRC under [Section 301 of the Trade Act of 1974](#) (Section 301, [19 U.S.C. § 2411](#)), for example.

IEEPA ([50 U.S.C. §§ 1701–1706](#)) gives the President extensive economic authorities to address certain emergencies declared under the National Emergencies Act ([50 U.S.C. §§ 1601–1651](#)). IEEPA provides authority to [“regulate” or “prohibit” imports](#) of certain property, although it does not specifically authorize tariffs. IEEPA [authorizes](#) the President to act upon declaring a national emergency “to deal with any unusual and extraordinary threat, which has its source in whole or substantial part outside the United

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States, to the national security, foreign policy, or economy of the United States.” Until 2025, no President had invoked IEEPA as legal authority for imposing tariffs.

On February 1, 2025, President Donald Trump invoked IEEPA to announce tariffs on imports from [Canada](#), [Mexico](#), and the [PRC](#), declaring emergencies largely concerning illicit drugs (the trafficking tariffs). On April 2, 2025, President Trump [declared](#) a separate emergency concerning “a lack of reciprocity in our bilateral trade relationships . . . as indicated by large and persistent annual U.S. goods trade deficits.” Based on this declaration, President Trump invoked IEEPA to announce tariffs of at least 10% on imports from almost all U.S. trading partners and higher, country-specific “[reciprocal tariffs](#)” for many countries (collectively, the worldwide tariffs). President Trump subsequently [modified](#) the trafficking tariffs and the worldwide tariffs several times. The President also cited IEEPA when imposing tariffs on imports from [Brazil](#), [India](#), and [various other imports](#) based on emergency declarations.

Several parties filed lawsuits challenging the trafficking and worldwide tariffs, contending that IEEPA did not give the President authority to impose tariffs. In September 2025, the Supreme Court [chose to review](#) a pair of lower court decisions holding IEEPA did not authorize the trafficking or worldwide tariffs: the decision of the U.S. Court of Appeals for the Federal Circuit in *Trump v. V.O.S. Selections, Inc.* and the decision of the U.S. District Court for the District of Columbia in *Learning Resources, Inc. v. Trump*.

Although the lower courts reached broadly [similar decisions](#) on the merits in *V.O.S. Selections* and *Learning Resources*, they differed as to which court had jurisdiction. In *V.O.S. Selections*, the [Federal Circuit](#) and the trial court, the U.S. Court of International Trade (CIT), both held that lawsuits challenging tariffs under IEEPA must be filed in the CIT due to its [exclusive jurisdiction](#) over lawsuits “aris[ing] out of [a] law of the United States providing for . . . tariffs.” In *Learning Resources*, the U.S. District Court for the District of Columbia [held](#) that, since IEEPA did not authorize tariffs, these lawsuits did not fall within the CIT’s jurisdiction. Both the *V.O.S. Selections* and *Learning Resources* decisions were stayed (i.e., paused) by the lower courts, allowing the tariffs to remain in effect until the Supreme Court’s decision. A separate [Legal Sidebar](#) provides analysis of the lower court opinions.

The Supreme Court’s Decision and Opinion

On February 20, 2026, the Supreme Court issued its [decision](#) in *Learning Resources* and *V.O.S. Selections*. The Court [held](#) that IEEPA’s phrase “regulate . . . importation” does not authorize the President to impose tariffs, considering both the meaning of the word “regulate” as well as statutory context. The Court’s opinion was [authored](#) by Chief Justice Roberts and [joined](#) by Justices Sotomayor, Kagan, Gorsuch, Barrett, and Jackson. As discussed below, additional sections of Justice Roberts’s opinion were joined only by two other Justices and thus do not constitute the opinion of the Court.

The Court analyzed the meaning of the word “regulate.” Referring to a Black’s Law Dictionary [definition](#) stating the word means to “fix, establish, or control; to adjust by rule, method, or established mode; to direct by rule or restriction; to subject to governing principles or laws,” the Court observed that the word “captures much of what a government does on a day-to-day basis” but that it “is not usually thought to include[] taxation.” The Court also considered the usage of the term “regulate” in other federal statutes, [pointing out](#) that “the Government cannot identify any statute in which the power to regulate includes the power to tax.” The Court thus [concluded](#): “When Congress addresses both the power to regulate and the power to tax, it does so separately and expressly.”

Turning to statutory context, the Court [observed](#) that the pertinent clause in IEEPA, [50 U.S.C. § 1702\(a\)\(1\)\(B\)](#), includes eight verbs besides “regulate,” authorizing the President to “investigate, block during the pendency of an investigation, regulate, direct and compel, nullify, void, prevent or prohibit . . . importation or exportation.” Given the specificity of this list, the Court [inferred](#) that Congress would have expressly included tariffs had it intended to authorize them. Moreover, the Court reasoned, construing the word “regulate” broadly enough to include tariffs would [render](#) the other verbs in this list duplicative.

The Court also observed that the other eight verbs in 50 U.S.C. § 1702(a)(1)(B) do not **authorize** raising revenue but **allow** “action a President might take in sanctioning foreign actors or controlling domestic actors engaged in foreign commerce,” consistent with how **past Presidents have used** IEEPA. The Court **surmised** that these “neighboring words” indicated “regulate” did not include means to raise revenue. Rejecting the government’s argument that IEEPA’s authority to “prohibit . . . importation” made it natural to read “regulate” as including tariffs—which the government characterized as a lesser authority than outright prohibition—the Court **reasoned** that tariffs “are different in kind, not degree, from the other authorities in IEEPA.”

As another contextual point, the Court **observed** that IEEPA allows the President to regulate “exportation” as well as “importation.” The **Export Clause** of the Constitution prohibits Congress from imposing taxes or tariffs on “Articles exported from any State.” The Court declined to interpret “regulate” to include tariffs partly because, it reasoned, that interpretation would render IEEPA unconstitutional to the extent it would authorize export tariffs.

The Court was not persuaded by the government’s arguments concerning a trio of earlier judicial decisions. The Court **declined to extend** the holding of *Federal Energy Administration v. Algonquin SNG, Inc.*, a 1976 Supreme Court decision holding that the term “adjust . . . imports” in Section 232 allowed the President to impose monetary exactions at least including license fees. Unlike IEEPA, the *Learning Resources* Court reasoned, Section 232 gives the President authority to “take such action . . . as he deems necessary” to adjust imports and refers to a “duty or other import restriction” in another subsection, indicating that the phrase “adjust . . . imports” in that statute includes monetary exactions. In short, the Court considered the language of IEEPA to be less clear and less specific than that of Section 232.

The Court was also not swayed by the government’s reliance on *United States v. Yoshida International, Inc.*, a 1975 circuit court decision holding that the phrase “regulate . . . importation” in IEEPA’s predecessor statute authorized the President to impose some kinds of tariffs. Although Congress enacted IEEPA two years after *Yoshida*, the Court **reasoned** that a “single, expressly limited opinion from a specialized intermediate appellate court” did not render that definition sufficiently “well settled” to presume that Congress incorporated it into IEEPA. (Another **Legal Sidebar** provides analysis of *Yoshida*.)

Finally, the Court distinguished *Dames & Moore v. Regan*, in which the Supreme Court upheld several actions President Jimmy Carter took after declaring an emergency under IEEPA regarding the Iran hostage crisis. The *Dames & Moore* Court **held** that the text of IEEPA did not authorize the President’s suspension of legal claims by U.S. persons against the government of Iran but nonetheless upheld the action, **reasoning** that the statute “indicat[ed] congressional acceptance of a broad scope for executive action” and **reinforced** the President’s own powers under **Article II** of the Constitution. The *Learning Resources* Court **characterized** *Dames & Moore* as an “exceedingly narrow” case presenting “distinct legal and factual issues” not applicable to tariffs.

Based on its holding that IEEPA does not authorize tariffs, the Supreme Court **affirmed** the Federal Circuit’s decision in *V.O.S. Selections*. The Court **vacated** the district court’s decision in *Learning Resources* on jurisdictional grounds, **holding** that the CIT rather than the district court had original jurisdiction over lawsuits challenging the IEEPA tariffs.

Additional Opinions and Debate Over Major Questions Doctrine

Seven Justices **wrote opinions** in *Learning Resources*. Of these seven opinions, only those parts of the Chief Justice’s opinion summarized above were joined by a majority of Justices and thus constitute the opinion of the Court. The remainder of the opinions do not constitute **binding precedent** but provide additional reasoning.

Three main opinions were endorsed in full by three Justices each: the opinion of Chief Justice Roberts (joined by Justices Gorsuch and Barrett), a concurring opinion by Justice Kagan (joined by Justices Sotomayor and Jackson), and a dissenting opinion by Justice Kavanaugh (joined by Justices Alito and Thomas). The six Justices supporting the Court's decision split over whether to invoke a principle known as the major questions doctrine to decide the case. Chief Justice Roberts [argued](#) that the major questions doctrine precluded the use of IEEPA to impose tariffs, while Justice Kagan [argued](#) it was unnecessary to invoke this doctrine. Justice Kavanaugh [interpreted](#) IEEPA to authorize the imposition of tariffs and therefore dissented. In addition, Justices Thomas, Gorsuch, Barrett, and Jackson penned solo opinions.

As the Court has explained in prior opinions, the major questions doctrine is a [principle](#) requiring executive agencies to have “clear congressional authorization” when they take action of such extraordinary “history and breadth” or “economic and political significance” that there is “reason to hesitate before concluding that Congress meant to confer such authority.” The Court has indicated that cases are [more likely](#) to present major-question concerns where an agency “discover[s] in a long-extant statute an unheralded power representing a transformative expansion in its regulatory authority.” The Supreme Court has previously applied the major questions doctrine to overrule certain executive agency actions including, for instance, executive action to [cancel student loans](#) based on statutory authority to “waive or modify” loan requirements.

In *Learning Resources*, Justice Roberts [applied](#) the major questions doctrine to conclude that IEEPA did not authorize tariffs. He [reasoned](#) that the doctrine “appl[ies] with particular force where, as here, the purported delegation involves the core congressional power of the purse.” Pointing to several [statutes](#) including Section 232 and Section 301, Justice Roberts observed that “[w]hen Congress has delegated its tariff powers, it has done so in explicit terms, and subject to strict limits.” By contrast, he observed, the government [claimed](#) that IEEPA “give[s] the President power to unilaterally impose unbounded tariffs.” Justice Roberts found it “[telling](#)” that IEEPA had never been used to impose tariffs from its enactment in 1977 until 2025. Comparing the present case to the Court's prior major questions decisions, he [opined](#) that “the economic and political consequences of the IEEPA tariffs are astonishing” and “dwarf those of other major questions cases.”

Justice Kagan, in concurrence, [wrote](#) that it was unnecessary to invoke “the so-called major-questions doctrine” because she thought “the ordinary tools of statutory interpretation amply support” the Court's decision. She [reasoned](#), for example, that “the meaning of ‘regulate,’ both in common parlance and as Congress uses the word, does not encompass taxing.” In addition, Justice Kagan [emphasized](#) that none of IEEPA's several other authorities permits the President to raise revenue. She also [pointed to](#) “Congress's consistent practice in delegating tariff power” via statutes that specifically refer to tariffs and set limits on the President's discretion, unlike IEEPA. Justice Kagan [concluded](#) that “no major-questions thumb on the interpretive scales” was needed to resolve the case. In addition to joining Justice Kagan's opinion, Justice Jackson [authored](#) a solo opinion arguing that the legislative history of IEEPA, particularly [Senate and House Reports](#), demonstrate that “Congress intended to delegate . . . the power to freeze and control foreign property transactions,” not to impose tariffs.

Justice Kavanaugh, in dissent, [argued](#) that “[s]tatutory text, history, and precedent” showed that tariffs may be used to “regulate . . . importation” under IEEPA. He [opined](#) that tariffs fall within the plain meaning of “regulate,” as they can be a means to “control” imports, “adjust [imports] by rule,” or “subject [imports] to governing principles or laws.” He also [observed](#) that “[s]ince the Founding, the Constitution's assignment to Congress of the broad power to ‘regulate’ foreign commerce has been understood to include tariffs on foreign imports.” Further, Justice Kavanaugh [argued](#), since IEEPA was enacted shortly after the *Yoshida* and *Algonquin* decisions, Congress and others at that time would have understood IEEPA to authorize tariffs.

In light of these considerations, Justice Kavanaugh [reasoned](#) that IEEPA provided clear authorization for tariffs, precluding application of the major questions doctrine. He also [contended](#) that the major questions

doctrine should not be extended to “a foreign affairs statute” like IEEPA, noting the Court has previously [suggested](#) that Congress may delegate broader authority to the President in foreign than domestic matters. In the portion of his opinion joined only by Justices Gorsuch and Barrett, Justice Roberts [disagreed](#) with making a foreign affairs exception in this case, reasoning that, notwithstanding the President’s inherent constitutional powers over some aspects of foreign affairs, the constitutional power to impose tariffs, at least in peacetime, belongs to Congress alone.

As well as joining Justice Kavanaugh’s dissent, Justice Thomas authored a solo dissent arguing that IEEPA’s use as a tariff authority does not violate the [nondelegation doctrine](#). Justice Thomas [characterized](#) the nondelegation doctrine as “forbid[ding] Congress from delegating core legislative power,” meaning “the power to make substantive rules setting the conditions for deprivations of life, liberty, or property.” Justice Thomas [argued](#) that the tariff is not such a “core” power, partly because importation of goods is a [privilege](#) rather than a “core private right.” Thus, he argued, the nondelegation doctrine does not apply to delegations of authority concerning tariffs. Justice Gorsuch, in his solo concurrence, [criticized](#) this argument as irrelevant to whether IEEPA did in fact delegate tariff authority to the President. Justice Gorsuch also [observed](#) that the Court’s past nondelegation cases, including [those involving tariffs](#), did not hinge on a distinction between “core” powers and other powers Article I grants to Congress.

The two associate Justices who joined Justice Roberts’s opinion in full expressed differing views as to the nature of the major questions doctrine. Justice Gorsuch [characterized](#) it as “a clear-statement rule,” [arguing](#) that it reflects a “substantive norm about delegated powers.” In his [view](#), the doctrine “safeguards” Congress’s lawmaking power “against executive encroachment.” Unless courts require a clear statement of delegated authority in cases presenting major questions, he [warned](#), delegations to the executive branch “may prove almost impossible for Congress to retrieve.” Justice Barrett, in her solo concurrence, [described](#) the major questions doctrine instead as “an ordinary application of textualism” that [seeks](#) “to ascertain the most natural reading of a statute” in light of its context. She [expressed concern](#) that Justice Gorsuch’s “substantive” formulation of the doctrine could lead judges to adopt “inferior” interpretations of law that substitute their own preferences for those of Congress.

Although the portions of Justice Roberts’s opinion concerning the major questions doctrine did not command a majority of the Court, the Justices’ opinions may illuminate how they are likely to approach this doctrine in future cases.

Ramifications of the Supreme Court’s Decision and Options for Congress

Congress holds the [constitutional power](#) over tariffs. As the Court [observed](#) in *Learning Resources*, “Regardless of what [certain precedents] might mean for the President’s inherent wartime authority, all agree that the President enjoys no inherent authority to impose tariffs during peacetime.” Thus, the President may impose tariffs only pursuant to delegated authority. While the Court decided that IEEPA does not provide such authority, it did not address tariffs the President may impose under other statutory authorities, including Section 232 and Section 301. Congress may take stock of these [statutory authorities](#) and consider whether they are consistent with congressional [tariff policy](#) and [international commitments](#). Some [bills](#) introduced in the 119th Congress would require enactment into law of a joint resolution of approval for the President to impose tariffs, or, alternatively, would [add](#) or [repeal](#) specific authorities.

Following the Court’s decision, President Trump [proclaimed](#) new tariffs under [Section 122 of the Trade Act of 1974](#) (Section 122), a statute which, like IEEPA, had not been used to impose tariffs before the second Trump Administration. Section 122 gives the President authority to impose a “temporary” import surcharge of up to 150 days, with a maximum rate of 15%, when necessary “to deal with large and serious United States balance-of-payments deficits” and certain other “fundamental international payments

problems.” Like the [emergency declaration](#) underlying the worldwide tariffs under IEEPA, the Section 122 proclamation cited issues including “large and persistent trade deficits.”

As discussed in [another CRS report](#), it is unclear whether Section 122 authorizes tariffs in response to trade deficits, as sources regarding the meaning of “balance-of-payments deficits” from economists and the U.S. government, statutory context, and legislative history indicate that this term is not synonymous with trade deficits. In a brief submitted to the Federal Circuit in *V.O.S. Selections*, the government [averred](#) that Section 122 “does [not] have any obvious application here, where the concerns the President identified in declaring an emergency arise from trade deficits, which are conceptually distinct from balance-of-payments deficits.” It is uncertain [how much deference](#) courts might afford to the President’s determination that the predicate to invoke Section 122 has been satisfied.

While President Trump responded to the *Learning Resources* ruling by [ending](#) various tariff actions based on IEEPA, he also issued a proclamation [continuing his use of IEEPA](#) to suspend the [de minimis exemption](#) in 19 U.S.C. § 1321, which generally authorizes the Secretary of the Treasury to allow the duty-free importation of up to \$800 of certain merchandise per person, per day. One lawsuit filed in the CIT in May 2025 (*Axle of Dearborn, Inc. v. Department of Commerce*) has already [challenged](#) this use of IEEPA. Axle of Dearborn [claims](#) that IEEPA does not allow the President to override the de minimis provisions of Section 1321 and that exceptions to the de minimis exemption must be made through notice-and-comment rulemaking. In July 2025, the CIT [stayed](#) the lawsuit pending “final resolution” of *V.O.S. Selections*. In addition to Axle of Dearborn’s other arguments, the CIT may now be faced with considering whether the Supreme Court’s holding in *V.O.S. Selections* and *Learning Resources* forecloses the use of IEEPA to suspend de minimis importation in *Axle of Dearborn* or other cases.

The Supreme Court’s opinion in *Learning Resources* did not address potential refunds of tariffs the government collected pursuant to IEEPA. Justice Kavanaugh [observed](#) in his dissent that “[t]he United States may be required to refund billions of dollars to importers who paid the IEEPA tariffs, even though some importers may have already passed on costs to consumers or others.” A separate CRS publication, CRS In Focus IF13150, *Potential Refunds of Tariffs Imposed Under the International Emergency Economic Powers Act (IEEPA)*, analyzes various means by which importers might obtain such refunds, as well as options for Congress regarding refunds.

Author Information

Christopher T. Zirpoli
Legislative Attorney

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