Congressional Research Service
Informing the legislative debate since 1914

Section 232 Tariffs on Steel and Aluminum

Updated July 7, 2026

In 2025, President Trump expanded and increased existing steel and aluminum tariffs, imposed since 2018 under Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. §1862). Section 232 authorizes the President to impose trade restrictions if the Secretary of Commerce determines that imports of a good "threaten to impair the U.S. national security." The United States imposes tariffs on steel, aluminum, and products containing steel and aluminum ("derivatives") from nearly all trading partners. Congress may consider whether to exercise its legislative prerogatives related to trade policy and/or monitor potential effects of tariffs on the U.S. economy.

Background

In 2018, President Trump proclaimed a 25% tariff on steel and a 10% tariff on aluminum imports from most trading partners following a Commerce Department investigation. In 2020, President Trump expanded the tariffs to include 13 new product codes for steel and aluminum derivatives. The Biden Administration largely maintained these tariffs and, in 2023, increased tariffs on imports of Russian aluminum to 200% in response to Russia's war on Ukraine. From 2018 to 2022, the United States negotiated country exemptions from the tariffs and granted entity-specific product exclusions as well as product exclusions applicable to any importer, called General Approved Exclusions (GAEs).

Actions During the Second Trump Administration

February 2025. President Trump modified the steel and aluminum tariffs, including to

- increase aluminum tariffs to 25%, eliminate all country exemptions (see **Figure 1**), and terminate all existing GAEs effective March 2025;
- prohibit new product exclusions (entity-specific product exclusions to be phased out);
- expand the scope of derivatives covered; and
- direct the Commerce Secretary to establish an "inclusions" process to allow U.S. stakeholders to request the addition of derivatives to the scope of tariffs.

President Trump stated that he terminated country exemptions and product exclusions because they "undermine" the tariffs' objectives, such as increasing U.S. production.

Congressional Research Service
https://crsreports.congress.gov
IN12519

Figure 1. Previous Section 232 Steel and Aluminum Country Exemptions

Eliminated in March 2025 by Proclamations 10895 and 10896

	STEEL	ALUMINUM
Argentina*	●	●
Australia	●	●
Brazil*	●	
Canada	●	●
European Union countries*	●	●
Japan*	●	
Mexico	●	●
South Korea*	●	
Ukraine**	●	
United Kingdom*	●	●

* Negotiated import quota
** Temporary tariff suspension

Source: CRS, from various presidential proclamations. With the exception of Ukraine, country exemptions terminated in March 2025 were granted between 2018 to 2022.

June 2025. President Trump increased steel and aluminum tariffs to 50%, except for imports from the United Kingdom (UK), which faced a 25% tariff pursuant to the U.S.-UK Economic Prosperity Deal. For most derivatives, Section 232 tariffs applied only to the steel or aluminum content and did not apply to derivatives containing only U.S.-sourced steel or aluminum.

August 2025. Following the first-ever inclusions process, the Commerce Department added more than 400 product codes within the scope of tariffs.

April 2026. President Trump made significant changes, including imposing tariffs on the full value of goods (not just the metal content), lowering/eliminating tariffs for certain derivatives, imposing a 10% tariff on derivatives containing 95% U.S.-sourced steel and aluminum, and eliminating the inclusions process (see **Table 1**). The White House stated that a reduced tariff rate of 15% on certain industrial and electrical grid equipment through 2027 aims to support investments in new or expanded U.S. production. The White House asserted that the changes strengthen the tariffs and more effectively protect U.S. national security. A Trump Administration official stated that simplified compliance requirements and the exclusion of some derivatives from tariffs could benefit some U.S. manufacturers that may have been negatively affected by tariffs. Other analyses found that the changes could result in increased tariffs for some products.

June 2026. President Trump revised his April 2026 actions by expanding the number of products subject to lower tariff rates through 2027 and lowering tariffs on certain imports from specific trading partners (see **Table 1**). For derivatives containing U.S.-sourced metals, President Trump decreased the content threshold from 95% to 85%. At the same time, Trump added several derivatives to the scope of tariffs (aluminum lithographic plates and steel racks).

Relation to Other Tariffs. Goods subject to Section 232 automotive tariffs are exempt from steel and aluminum tariffs. Temporary global 10% tariffs implemented under Section 122 of the Trade Act of 1974 do not apply to products covered by Section 232 tariffs. Section 232 steel and aluminum tariffs apply in addition to

- most-favored nation (MFN) tariffs imposed on goods from most trading partners without a U.S. free trade agreement (FTA) or goods that do not meet FTA rules (also called Column 1 duties);
- trade remedies; and

- tariffs under Section 301 of the Trade Act of 1974.

Potential Implications for the U.S. Economy

In 2025, the United States imported $25 billion worth of steel articles—21% less than in 2024—and $18 billion worth of aluminum—5% less than in 2024 (see **Table 2**), excluding derivatives. Some business groups assert that the 2025 tariff expansion has negatively affected U.S. manufacturers. Some U.S. steel and aluminum producers assert that tariffs are critical for boosting U.S. production. Others support tariffs while also emphasizing the need for policy alignment in North America through the U.S.-Mexico-Canada Agreement (USMCA). Currently, Section 232 steel and aluminum tariffs apply to USMCA-compliant goods. Since September 2025, Canada has imposed 25% tariffs on C$15.6 billion (approximately $11 billion) worth of imports of U.S. steel and aluminum.

Issues for Congress

Members supportive of U.S. tariff actions could consider expanding presidential tariff authorities under Section 232 and/or codifying current tariffs. Others argue that Congress should play a greater role in overseeing tariff actions. Some Members have called for more targeted tariffs or tariff exemptions to mitigate potential adverse impacts on the U.S. economy. Other Members have called for imposing tariffs on additional steel and aluminum products.

Some Members have called for commissioning reports on the potential economic effects of tariffs. In 2023, at the direction of Congress, the U.S. International Trade Commission analyzed the effects of the Section 232 steel and aluminum tariffs on the U.S. economy.

Members may also consider whether to exercise oversight of executive branch-led trade negotiations or U.S. international trade obligations, including under FTAs like USMCA. Section 232 tariffs were a key issue during the negotiation of USMCA. In July 2026, the USMCA partners met for a scheduled review of the agreement; the Trump Administration declined to extend USMCA in its current form. The USMCA partners are to continue discussing whether to modify and extend USMCA, allow it to expire, or terminate the agreement.

Table 1. Section 232 Tariffs on Steel and Aluminum

June 2026

Annex	Key Provisions
Annex I-A (steel and aluminum articles, certain copper articles, certain steel/aluminum derivatives)	• 50% tariff on full value • 25% tariff on full value of steel and aluminum articles and derivatives from the United Kingdom (UK) composed of at least 95% UK-sourced steel/aluminum (UK-origin steel articles made by Tata Steel UK may count steel from the Netherlands toward the 95% until January 2028) • 10% tariff on full value of derivatives composed of at least 85% U.S.-sourced steel, aluminum, and copper
Annex I-B (certain steel/aluminum derivatives, certain copper articles)	• 25% tariff on full value • 15% tariff on full value of steel and aluminum derivatives from the UK composed of at least 95% UK-sourced steel/aluminum (UK-origin steel articles made by Tata Steel UK may count steel from the Netherlands toward the 95% until January 2028) • 10% tariff on full value of derivatives composed of at least 85% U.S.-sourced steel, aluminum, and copper

Annex	Key Provisions

Annex I-C
(reduced tariffs for certain steel derivatives until December 31, 2027)
	• 25% tariff on full value unless a lower rate applies as follows
	• For products of Argentina, Ecuador, El Salvador, Guatemala, Japan, South Korea, Liechtenstein, Switzerland, Taiwan, the United Kingdom, or the European Union:
	  ◦ Column 1 duty rate ≥15%
	    0% Section 232 tariff
	  ◦ Column 1 duty rate <15%
	    Column 1 duty rate + Section 232 tariff = 15%
	• For products of Canada and Mexico that qualify for preferential tariff treatment under USMCA:
	  ◦ 25% tariff on non-U.S. content and U.S. content that exceeds 40% of the value of the article
	  ◦ 0% tariff on U.S. content that does not exceed 40% of the value of the article
	  ◦ Effective tariff on product shall not be less than 15%

Annex II (items not subject to tariffs)	• No Section 232 tariff • Goods not subject to Section 232 duties may no longer be exempt from other tariffs (e.g., those imposed under Section 122 of the Trade Act of 1974)

Annex III
(reduced tariffs for certain steel and aluminum derivatives until December 31, 2027)
	• Column 1 duty rate ≥15%
	  0% Section 232 tariff
	• Column 1 duty rate <15%
	  Column 1 duty rate + Section 232 tariff = 15%
	• 25% tariff on products from trading partners with whom the United States does not maintain normal trading relations (i.e., Cuba, North Korea, Russia, Belarus)
	• For products composed of at least 85% U.S.-sourced steel/aluminum:
	  ◦ Column 1 duty rate ≥10%
	    0% Section 232 tariff
	  ◦ Column 1 duty rate <10%
	    Column 1 duty rate + Section 232 tariff = 10%

Annex IV (items not subject to tariffs)	• Goods in Annex I-B or Annex III that do not contain any aluminum, steel, or copper content are not subject to Section 232 duties • Goods in Annex I-B or Annex III (except those in the U.S. Harmonized Tariff Schedule, chapter 72, 73, 74, or 76) are not subject to Section 232 duties if the weight of aluminum, steel, and/or copper is less than 15% of the weight of the imported article • Goods not subject to Section 232 duties may no longer be exempt from other tariffs (e.g., those imposed under Section 122 of the Trade Act of 1974)
Other provisions	• 0% tariff on certain parts listed in Annex I-B imported for use in motorcycle manufacturing; continued exemption for certain trading partners related to certain civil aircraft and aircraft parts • Inclusions processes terminated for steel, aluminum, and copper. The Commerce Secretary and U.S. Trade Representative may jointly determine to add products within the scope of tariffs • Russia-specific tariff codes (10%-50% for steel, copper; continued 200% tariff on aluminum)

Source: CRS, summary of key provisions from annexes in Proclamation 11032 of June 1, 2026, "Further Adjusting the Tariff Regimes for Imports of Aluminum, Steel, and Copper into the United States," 91 *Federal Register* 34085, June 4, 2026. Additional information from U.S. Customs and Border Protection Cargo Systems Messaging Service (CSMS) #68855869, "Guidance: Further Adjusting the Tariff Regimes for Imports of Aluminum, Steel, and Copper into the United States," June

5, 2026; and U.S. Department of Commerce, Bureau of Industry and Security, "Notice of Technical Corrections to the Harmonized Tariff Schedule of the United States for Duties Imposed by Presidential Proclamation 11021," 91 *Federal Register* 23056, April 29, 2026.

Note: In the same proclamation, President Trump also modified copper tariffs. See CRS Insight IN12614, *Section 232 National Security Tariffs on Copper Imports*.

Table 2. U.S. Steel and Aluminum Imports, 2024 and 2025

Millions of U.S. Dollars

	2024		2025	
Partner	**Value**	**% Share Total Imports**	**Value**	**% Share Total Imports**
		Steel		
Canada	$7,177.7	23%	$4,541.0	18%
European Union	$6,847.8	22%	$5,811.1	23%
Mexico	$3,528.6	11%	$2,233.4	9%
South Korea	$2,938.1	9%	$2,447.4	10%
Brazil	$2,910.4	9%	$2,260.1	9%
All Other	$8,175.6	26%	$7,555.9	30%
Total Steel Imports	$31,577.2	100%	$24,849.0	100%
		Aluminum		
Canada	$9,439.4	51%	$7,529.1	43%
European Union	$1,540.3	8%	$1,615.7	9%
United Arab Emirates	$1,147.5	6%	$1,513.0	9%
China	$827.6	4%	$597.7	3%
South Korea	$797.6	4%	$1,058.3	6%
Bahrain	$605.3	3%	$670.4	4%
India	$447.1	2%	$643.5	4%
All Other	$3,762.1	20%	$3,922.0	22%
Total Aluminum Imports	$18,567.0	100%	$17,549.8	100%

Source: CRS. General imports data from the U.S. Census Bureau (accessed via Trade Data Monitor, June 29, 2026) using U.S. Harmonized Tariff Schedule (HTS) product codes for "articles of aluminum" and "articles of steel" attached to CSMS #68855869.

Notes: Table sorted by top import sources in 2024. This table *excludes* derivative articles. Columns may not sum due to rounding.

Author Information

Kyla H. Kitamura
Analyst in International Trade and Finance

Disclaimer