

President Trump Announces New Country-Specific Reciprocal Tariffs

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On Monday, President Trump announced new country-specific reciprocal tariff rates for a number of trading partners in a series of letters posted to Truth Social. President Trump also signed an [executive order](#) that further suspended the country-specific tariff rate increase for all countries except China from July 9, 2025 to August 1, 2025. (China's country-specific rate increase is separately suspended until August 12, 2025, per the May 12, 2025 executive order reflecting the initial China framework deal.) The newly announced tariff increases will go into effect at that time unless otherwise changed or further delayed, although the President posted this morning that no further extensions of this deadline will be granted. The new rates are largely similar to those announced in the President's [original reciprocal tariff announcement](#). A chart with the original and updated rates is provided below.

The Administration has indicated that letters with updated rates for additional countries may follow in the coming days and weeks and that it remains open to negotiation with countries ahead of the August 1 deadline. The letters also state that any tariff increases imposed on U.S. goods by the country at issue will be added at a matching level on top of the country-specific rate.

Given the limited information included in the letters, however, much remains uncertain. While the executive order sets an effective date for the additional duties, the letters state that the announced tariff rates "may be modified, upward or downward" depending on the United States' "relationship with your Country," and if the recipient country wishes to "open your heretofore closed Trading Markets to the United States, and eliminate your Tariff, and Non Tariff, Policies and Trade Barriers." It is not clear what actions/concessions would warrant an increase or reduction in the announced higher tariff rates before August 1.

The increased tariffs are "separate from all Sectoral Tariffs," suggesting that the tariffs may stack with other applicable tariffs. The term "sectoral tariffs" has generally been understood to refer to various national-security related Section 232 tariff programs and investigations. For example, the Section 232 tariffs on steel and aluminum imports and the reciprocal tariffs were applied on a mutually exclusive basis at one point. Following President Trump's June 3, 2025 proclamation modifying the Section 232 steel and aluminum programs, however, reciprocal tariffs apply to the non-steel or non-aluminum content of derivative product imports. How current or future Section 232 tariff programs will interact with these reciprocal tariffs will have to be clarified.

The letters also note that goods transshipped to evade a higher tariff will be subject to the higher tariff, though transshipment is not defined (either here or in similar contexts, such as the recently announced Vietnam framework agreement). How transshipment is defined and enforced could have

significant impacts on importers and their supply chains.

Kelley Drye's International Trade and Government Relations teams are staying on top of the Trump Administration's trade actions. Please reach out if you have questions about the impact to your company from these or other announcements.