



By: TA | AP Brief

The Trump administration faced with a lawsuit by 25 states over new tariffs



Twenty-five states sued the Trump administration Monday over its **latest tariffs**, calling them a pretext for replacing import taxes the **Supreme Court** struck down in February.

The United States last month imposed **double-digit tariffs** on 59 countries and the European Union, charging that they had not done enough to crack down on imports produced by **forced labor**.

The new tariffs took effect just as the clock ran out on **temporary tariffs** President Donald Trump had turned to after the Supreme Court defeat.

“After losing at the Supreme Court, the administration is once again trying to illegally raise taxes on families and businesses with a new round of tariffs,” said New York Attorney General Letitia James.

Joining New York in the lawsuit announced Monday are Arizona, California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Kentucky, Massachusetts, Maryland, Maine, Michigan, Minnesota, Nevada, New Jersey, New Mexico, North Carolina, Oregon, Pennsylvania, Rhode Island, Virginia, Vermont, Washington and Wisconsin.

Trump, who argues that high tariffs will revive American manufacturing, last year overturned decades of U.S. policy that favored lower tariffs and ever-freer trade.

Invoking the 1977 International Emergency Economic Powers Act, or IEEPA, he imposed double-digit tariffs on imports from almost every country, saying America’s longstanding trade deficit amounted to a national emergency.

But the Supreme Court ruled that IEEPA did not authorize tariffs. The decision forced the administration to send refunds to importers who’d paid the tariffs.

Eager to make up the lost revenue, Trump turned to temporary 10% worldwide tariffs. But they expired at midnight July 24.

Now he’s tapping more durable tariffs under **Section 301 of the Trade Act** of 1974, which permits the president to impose import taxes and other sanctions against countries found to engage in unfair trade practices.

Trump used Section 301 to impose big tariffs on China in his first term, and they survived court challenges.

The forced-labor tariffs

The administration invoked Section 301 to impose the forced-labor tariffs, which range from 10% to 12.5% and hit countries that provide 99% of American imports.

“The United States is using its lawful authority to obtain the elimination of unreasonable acts, policies, and practices that burden U.S. commerce,” White House spokesman Kush Desai said. “A foreign country’s failure to impose and effectively enforce a prohibition on the importation of goods produced with forced labor is unreasonable and burdens U.S. commerce, including American workers, and must be addressed. Section 301 tariffs have proven to be a legally durable tool since the President’s first term, and they remain so now.”

The states’ lawsuit follows two **other lawsuits** filed in The Court of International Trade in July by small businesses that also challenged the 301 tariffs.

Both of those lawsuits argue that the government didn’t adequately establish its case against each specific economy or spell how the tariffs will eliminate the specified practice they are being levied for, as required by Section 301.

The 301 tariffs are the third time the administration has tried to impose similar worldwide tariffs under different statutes - Barry Appleton

Barry Appleton, a law professor and co-director of New York Law School's Center for International Law, said the challenges stem from the fact that the 301 tariffs are the third time the administration has tried to impose similar worldwide tariffs under different statutes, and their "nearly copy-pasted" nature could pose a challenge to defend in court.

However, he said while the statutes that the administration implemented tariffs under previously were novelties and hadn't been used before for that purpose, Section 301 has been used before.

During Trump's first term, he cited Section 301 to impose **tariffs on Chinese imports**, which survived legal challenges.

"Presidents have used it for decades, and Congress built it with real guardrails: investigation, consultation, a public record," Appleton said. "The government's defense won't be 'I had no power to do this.' It will be, 'I stayed inside the lines Congress drew.' That is a real fight, not a formality, and it is the one that will decide this case."