

**2025**

# **PUGET SOUND BUSINESSES**

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## **TARIFF TOOLKIT**



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**PREPARED BY:**

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## Puget Sound Tariff Toolkit: Navigating International Trade

This toolkit provides businesses with resources to understand, manage, and mitigate the impact of tariffs on operations, supply chains, and growth strategies.

### Understanding Recent Tariff Developments

In early 2025, the U.S. government implemented significant tariff measures impacting international trade:

- **Tariffs on Canada and Mexico:** Effective March 4, 2025, a 25% tariff was imposed on all imports from Canada and Mexico, with a reduced 10% tariff on Canadian energy products, including electricity, natural gas, and oil. This was later postponed and will likely be addressed on April 2, when President Trump has also committed to address the question of reciprocal tariffs.
- **Tariffs on China:** A 10% tariff was applied to all imports from China starting February 4, 2025, with an additional 10% applied on March 4. These tariffs supplement the already existing tariffs imposed on various Chinese goods.
- **Steel and Aluminum Tariffs:** On March 12, the U.S. reinstated a 25% tariff on all steel and aluminum imports, eliminating previous exemptions and increasing the aluminum tariff from 10% to 25%.

### Tools & Resources for Businesses

#### U.S. Tariff Information

- **Harmonized Tariff Schedule (HTS):** Access the [U.S. International Trade Commission \(USITC\)](#) for specific tariff rates and classifications.
- **U.S. Customs and Border Protection (CBP) Announcements:** Stay informed on tariff implementations and updates via [CBP's official statements](#). [U.S. Customs and Border Protection](#)



## Trade Agreements & Duty Relief Programs

- U.S.-Mexico-Canada Agreement (USMCA): Despite recent tariffs, the USMCA remains a critical framework for North American trade. Review its provisions for potential benefits.
- Generalized System of Preferences (GSP): Offers duty-free access for eligible developing countries. [Program details](#)
- Foreign-Trade Zones (FTZs): Utilize FTZs to defer or reduce import duties.

## State & Regional Support

- Washington State Department of Commerce Export Assistance: Provides export assistance and trade policy advocacy. [Visit site](#)
- World Trade Center Tacoma: Assists businesses in navigating international trade and tariff mitigation strategies. [Website](#)
- Impact Washington: Offers supply chain optimization and tariff mitigation consulting. [Website](#)
- Economic Development Board for Tacoma-Pierce County: Provides resources for international trade and business expansion. [Visit site](#)
- Seattle Metro Chamber: Advocates for businesses on trade policy and economic development. [Visit site](#)
- Snohomish County Economic Development Alliance: Provides resources for international trade and business expansion. [Visit site](#)
- Port of Tacoma: Supports global trade and supply chain connectivity. [Visit site](#)
- Port of Everett: Facilitates maritime and international trade. [Visit site](#)
- Northwest Seaport Alliance (NWSA): Manages the ports of Seattle and Tacoma, focusing on trade competitiveness. [Visit site](#)
- Employment Security Department's SharedWork Program: Assists businesses in avoiding layoffs by allowing employees to work reduced hours while collecting partial unemployment benefits. [Learn more](#)





## Tariff Mitigation Strategies

### Tariff Classification & Compliance

- Consult with Licensed Customs Brokers: Ensure accurate HTS classification to determine correct duty rates and compliance.
- Explore Tariff Exclusions and Exemptions: Monitor announcements from the U.S. Trade Representative (USTR) for potential exclusions. [Visit site](#)

### Supply Chain Adjustments

- Diversify Suppliers: Reduce reliance on high-tariff regions by exploring alternative sourcing options.
- Nearshoring or Reshoring: Consider relocating manufacturing closer to the U.S. to mitigate tariff impacts.
- Engage with Impact Washington: Optimize supply chains and develop alternative sourcing strategies.

### Workforce & Employment Stability

- Utilize the SharedWork Program: Manage labor costs without layoffs by reducing work hours while employees receive partial unemployment benefits. [Learn more](#)
- Upskill & Retrain Workforce: Prepare employees for shifts in business strategy due to tariffs through workforce training programs.

### Leveraging FTZs & Bonded Warehouses

- Foreign-Trade Zones (FTZs): Store goods in FTZs to defer tariffs until products enter the U.S. market.
- Bonded Warehouses: Utilize bonded warehouses for duty deferral and improved cash flow.



## Financial & Legal Support

- Export Finance Assistance:
  - EXIM Bank: Provides export credit insurance and working capital loans. [Visit site](#)
  - SBA International Trade Loans: Assists businesses in expanding global operations. [Learn more](#)
- Legal & Compliance Services:
  - International Trade Attorneys: Consult legal experts for tariff disputes and compliance issues.

## Next Steps

- Assess Your Tariff Exposure – Identify key import/export products and tariff classifications.
- Explore Mitigation Options – Consider FTZs, alternative sourcing, and tariff engineering.
- Leverage Local Resources – Work with World Trade Center Tacoma, Impact Washington, Economic Development Board for Tacoma-Pierce County, Seattle Metro Chamber, Snohomish County Economic Development Alliance, Port of Tacoma, Port of Everett, Northwest Seaport Alliance, and Washington State Department of Commerce Export Assistance for tailored assistance.
- Stay Informed – Monitor changes in U.S. trade policy via [USTR.gov](https://ustr.gov) and [Trade.gov](https://trade.gov).



