



**DEPARTMENT OF COMMERCE
International Trade Administration**

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Implementing Certain Tariff-Related Elements of a Trade and Security Agreement Between the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States

AGENCY: The International Trade Administration, U.S. Department of Commerce; the Office of the United States Trade Representative

ACTION: Notice

SUMMARY: On September 5, 2025, President Trump issued Executive Order 14346 (Modifying the Scope of Reciprocal Tariffs and Establishing Procedures for Implementing Trade and Security Agreements). Executive Order 14346 directed and authorized the Secretary of Commerce (Secretary) and the United States Trade Representative (Trade Representative) to implement the terms of any framework trade and security agreement or final trade and security agreement concluded between the United States and a foreign trading partner that involve the national emergency declared in Executive Order 14257 of April 2, 2025 (Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits), or threats to the national security found pursuant to Section 232 of the Trade Expansion Act of 1962 (Section 232).

On January 15, 2026, the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office in the United States (TECRO) signed the *Memorandum of Understanding Between the Taipei Economic and Cultural Representative Office in the United States and the American Institute in Taiwan Relating to Taiwan-U.S. Investment* (MOU). In the MOU, the United States committed to, among other things, modify tariffs imposed under Section 232 in certain respects. On February

12, 2026, AIT and TECRO signed the *Agreement Between the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States on Reciprocal Trade Between the United States of America and Taiwan* (ART or Agreement). Both the MOU and the ART qualify for implementation under Executive Order 14346. The Secretary and Trade Representative are taking necessary and appropriate action to implement the MOU at this time. The Secretary and Trade Representative are not implementing the ART at this time as it has not yet entered into force.

This notice amends the Harmonized Tariff Schedule of the United States (HTSUS) to implement the terms of the MOU pertaining to the modification of certain Section 232 tariffs applied to automobile parts, timber, lumber, and wood derivative products of Taiwan. In addition, the MOU states that the United States will remove derivative Section 232 steel, aluminum, and copper tariffs from aircraft components that are products of Taiwan.

DATES: This notice is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The modifications to the HTSUS set forth in the Annex to this Notice are effective with respect to goods entered for consumption, or withdrawn from warehouse consumption, on or after 12:01 a.m. eastern time on May 1, 2026.

FOR FURTHER INFORMATION CONTACT: Emily Davis, Director for Public Affairs, International Trade Administration, U.S. Department of Commerce, 202-482-3809, Emily.Davis@trade.gov; Tim Wineland, Deputy Assistant U.S. Trade Representative for China, Mongolia, and Taiwan, Office of the U.S. Trade Representative, 202-395-6091, twineland@ustr.eop.gov.

SUPPLEMENTARY INFORMATION

I. Background

In Executive Order 14346 of September 5, 2025 (Modifying the Scope of Reciprocal Tariffs and Establishing Procedures for Implementing Trade and Security Agreements), President Trump directed and authorized the Secretary and the Trade Representative to take all necessary actions to implement any framework trade and security agreement or final trade and security agreement concluded between the United States and a foreign trading partner involving the national emergency declared in Executive Order 14257 of April 2, 2025 (Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits), or a threat to the national security found by the President pursuant to Section 232. Executive Order 14346 further directed the Secretary and the Trade Representative, in consultation with the Commissioner of U.S. Customs and Border Protection, the Chair of the United States International Trade Commission, and any other senior official they deem appropriate, to determine whether modifications to the HTSUS are necessary to effectuate that order, as well as actions taken under that order, and authorizes them to direct such modifications through notice in the *Federal Register*. These delegations in Executive Order 14346, as well as the declaration of a national emergency in Executive Order 14257 and the threatened impairments to the national security the President has found under Section 232, are unaffected by the Supreme Court’s decision in *Learning Resources, Inc. et al. v. Trump et al.*, 607 U.S. ____ (2026), as *Learning Resources* concluded only that the President lacked the authority under the International Emergency Economic Powers Act (IEEPA) to impose additional tariffs on imports into the United States.¹

¹ See, e.g., Executive Order 14389 of February 20, 2026, *Ending Certain Tariff Actions*, 91 Fed. Reg. 9437, 9437 (Feb. 25, 2026) (“All other actions, including any other action taken to address the national emergencies declared or described in Executive Order 14193, Executive Order 14194, Executive Order 14195, Executive Order 14245, Executive Order 14257, Executive Order 14323, Executive Order 14329, Executive Order 14380, and Executive Order 14382, that do not impose additional *ad valorem* duties under IEEPA or involve steps necessary to implement the imposition of additional *ad valorem* duties imposed under IEEPA shall not be affected by this order. The national emergencies declared or described

On January 15, 2026, AIT and TECRO signed the MOU. On February 12, 2026, AIT and TECRO signed the ART. Both the MOU and ART qualify for implementation under Executive Order 14346. The Secretary and the Trade Representative are taking the necessary and appropriate action to implement the MOU. The Secretary and Trade Representative are not implementing the ART at this time as the ART has not yet entered into force.

The MOU establishes a strategic economic partnership between the United States and Taiwan to decisively strengthen U.S. domestic semiconductor supply chains and secure America's technological and industrial leadership. Under the MOU, Taiwan will facilitate U.S. investment in the Taiwanese semiconductor, artificial intelligence, defense technology, telecommunications, and biotechnology industries to expand market access for American companies, deepen technological collaboration, and strengthen U.S. leadership in critical and emerging industries. As part of the MOU, Taiwan will provide credit guarantees to support financial institutions in offering corporate credit lines of up to \$250 billion to facilitate additional investment by Taiwanese enterprises, supporting the establishment and expansion of the semiconductor supply chain and ecosystem in the United States, and Taiwanese semiconductor and technology enterprises will make new, direct investments totaling \$250 billion to build and expand advanced semiconductor, energy, and artificial intelligence production and innovation capacity in the United States. Finally, Taiwan committed to cooperate with U.S. counterparts to establish new industrial clusters in the United States.

in Executive Order 14193, Executive Order 14194, Executive Order 14195, Executive Order 14245, Executive Order 14257, Executive Order 14323, Executive Order 14329, Executive Order 14380, and Executive Order 14382 or subsequent orders remain in effect and shall not be affected by this order.”); *id.* at 9438 (“This order affects only the additional *ad valorem* duties imposed under IEEPA pursuant to the Executive Orders described in section 1 of this order. This order does not affect any other duties, including duties imposed under section 232 of the Trade Expansion Act of 1962, as amended, 19 U.S.C. 1862, and section 301 of the Trade Act of 1974, as amended, 19 U.S.C. 2411.”).

Recent and future steps taken by Taiwan to implement the MOU and ART will have a direct and positive impact on U.S. production of steel, aluminum, copper, automobile parts, and wood products. Promised investment in the United States by Taiwanese enterprises will drive increased U.S. economic activity, including construction activity, raising demand for U.S.-produced steel, aluminum, copper, and wood products. These promised investments will also provide increased access to a secure supply of U.S.-fabricated semiconductors, reduce semiconductor-related supply chain risk for the U.S. automobile industry, and enable U.S. automobile parts producers to expand domestic production in light of the decreased risk of supply chain disruptions. In addition, Taiwan's commitments under the ART, once implemented, will create the conditions for expanded opportunities for U.S. exports of steel, aluminum, copper, automotive parts, and wood products to Taiwan, supporting U.S. domestic production in each of these sectors.

In the MOU, the United States committed, in part, to limit the Section 232 duties applied to certain automobile parts, timber, lumber, and wood derivative products of Taiwan to no more than 15 percent. For such products with a U.S. Column 1 Duty Rate in the HTSUS that is at least 15 percent, no Section 232 duty will apply. For such products with a Column 1 Duty Rate that is less than 15 percent, the sum of the Column 1 Duty Rate and the additional *ad valorem* tariff under Section 232 shall be 15 percent. The MOU also provides that the United States will no longer apply derivative Section 232 steel, aluminum, and copper tariffs to aircraft components that are products of Taiwan. The Annex to this notice modifies the HTSUS to provide tariff treatment for these articles consistent with the MOU. These changes to the HTSUS are effective for goods entered, or withdrawn from warehouse, for consumption, on or after May 1, 2026. To the extent that implementation of this notice requires a refund of duties collected, refunds shall be

processed pursuant to applicable law and the standard procedures of CBP for such refunds.

Executive Order 14346 and other Presidential actions direct the Secretary or the Trade Representative, in consultation with other officials, to continue to monitor the conditions underlying the national emergency declared in Executive Order 14257, monitor imports with respect to national security threats found by the President under Section 232, update the President on the status of these conditions, inform the President of any circumstance that, in their opinion, might indicate the need for further action, and recommend additional action that, in their opinion, will more effectively deal with the national emergency declared in Executive Order 14257 or more effectively address the national security threats found by the President under Section 232. Accordingly, the Annex to this notice may be amended.

William Kimmitt,
Under Secretary for International Trade,
United States Department of Commerce

Jennifer Thornton,
General Counsel,
Office of the United States Trade Representative

ANNEX

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on May 1, 2026, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified as follows:

1. U.S. note 33 is modified by inserting the following new subdivision (u):

“(u) Except as provided for in heading 9903.94.06, headings 9903.94.66, 9903.94.67, 9903.94.68, and 9903.94.69 set forth the ordinary customs duty treatment for certain parts of passenger vehicles and light trucks classifiable in the provisions of the HTSUS enumerated in subdivision (g) of this note or that meet the requirements of subdivision (r) of this note that are products of Taiwan.

Any automotive part, except those eligible for admission under “domestic status” as defined in 19 CFR 146.43, that is subject to the duty imposed by this subdivision and that is admitted into a United States foreign trade zone on or after 12:01 a.m. eastern time on May 1, 2026, must be admitted as “privileged foreign status” as defined in 19 CFR 146.41, and will be subject upon entry for consumption to any *ad valorem* rates of duty related to the classification under these HTSUS headings.

Goods for which entry is claimed under a provision of chapter 98 and which are subject to the additional duties prescribed herein shall be eligible for and subject to the terms of such provision and applicable U.S. Customs and Border Protection (“CBP”) regulations, except that duties under subheading 9802.00.60 shall be assessed based upon the full value of the imported article. No claim for entry or for any duty exemption or reduction shall be allowed for the automotive parts provided for in this subdivision under a provision of chapter 99 that may set forth a lower rate of duty or provide duty-free treatment, taking into account information supplied by CBP. All antidumping, countervailing, or other duties and charges applicable to such goods shall continue to be imposed.

Entries of automotive parts described in this subdivision shall not be subject to the additional duties imposed on:

(1) articles of aluminum, of steel, or of copper or derivative aluminum, steel, or copper articles provided for in headings 9903.82.02 and 9903.82.04–9903.82.19.

(2) wood products provided for in headings 9903.76.01, 9903.76.02, 9903.76.03, and 9903.76.24.

2. U.S. note 37 is modified by inserting the following new subdivision (m):

“(m) Except for as provided by heading 9903.76.04, heading 9903.76.24 provides the ordinary customs duty treatment of wood products of Taiwan described in subdivisions (d) and (f) of this note.

For any such products that are eligible for special tariff treatment under any of the free trade agreements or preference programs listed in general note 3(c)(i) to the tariff schedule, the duty provided in heading 9903.76.24 shall be collected in lieu of any special rate of duty otherwise applicable under the appropriate tariff subheading. Goods for which entry is claimed under a provision of chapter 98 and that are subject to the additional duties prescribed herein shall be eligible for and subject to the terms of such provision and applicable CBP regulations. No claim for entry or for any duty exemption or reduction shall be allowed for wood products described in subdivisions (d) or (f) of this note under a provision of chapter 99 that may set forth a lower rate of duty or provide duty-free treatment, taking into account information supplied by CBP. All antidumping, countervailing, or other duties and charges applicable to such goods shall continue to be imposed.”

3. The following new headings are inserted in numerical sequence, with the material in the new headings inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special”, and “Rates of Duty 2”, respectively:

Heading / Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.76.24	Wood products of Taiwan as provided for in subdivisions (d) and (f) of U.S. note 37 of this subchapter	15%	15%	No change
9903.94.66	Parts of passenger vehicles and light trucks that are products of Taiwan as provided for in subdivisions (g) and (u) of U.S. note 33 to this subchapter, with an ad valorem (or ad valorem equivalent as provided for in subdivision (m) of U.S. note 33 to this subchapter) rate of duty under column 1-General or column 1-Special equal to or greater than 15 percent	No change	No change	No change
9903.94.67	Parts of passenger vehicles and light trucks	15%	15%	No change

	that are products of Taiwan as provided for in subdivisions (g) and (u) of U.S. note 33 to this subchapter, with an ad valorem (or ad valorem equivalent as provided for in subdivision (m) of U.S. note 33 to this subchapter) rate of duty under column 1–General or column 1–Special less than 15 percent			
9903.94.68	Parts of passenger vehicles and light trucks that are products of Taiwan as specified in subdivisions (r) and (u) of U.S. note 33 to this subchapter, with an ad valorem (or ad valorem equivalent as provided for in subdivision (m) of U.S. note 33 to this subchapter) rate of duty under column 1–General or column 1–Special equal to or greater than 15 percent	No change	No change	No change
9903.94.69	Parts of passenger vehicles and light trucks that are products of Taiwan as provided for in subdivisions (r) and (u) of U.S. note 33 to this subchapter, with an ad valorem (or ad valorem equivalent as provided for in subdivision (m) of U.S. note 33 to this subchapter) rate of duty under column 1–General or column 1–Special less than 15 percent	15%	15%	No change”.

4. U.S. note 35 is modified by inserting the following new subdivision (c):

“As provided in heading 9903.96.03, the additional duties imposed by headings 9903.82.02 and 9903.82.04–9903.82.19 shall not apply to articles the product of Taiwan that are civil aircraft (all aircraft other than military aircraft and unmanned aircraft) components that otherwise meet the criteria of General Note 6

of HTSUS, and are classifiable in the following provisions of the HTSUS, but regardless of whether a product is entered under a provision for which the rate of duty “Free (C)” appears in the “Special” sub-column:

7304.31.30	7304.31.60	7304.39.00	7304.41.30
7304.41.60	7304.49.00	7304.51.10	7304.51.50
7304.59.10	7304.59.20	7304.59.60	7304.59.80
7304.90.10	7304.90.30	7304.90.50	7304.90.70
7306.30.10	7306.30.30	7306.30.50	7306.40.10
7306.40.50	7306.50.10	7306.50.30	7306.50.50
7306.61.10	7306.61.30	7306.61.50	7306.61.70
7306.69.10	7306.69.30	7306.69.50	7306.69.70
7312.10.05	7312.10.10	7312.10.20	7312.10.30
7312.10.50	7312.10.60	7312.10.70	7312.10.80
7312.10.90	7312.90.00	7322.90.00	7324.10.00
7324.90.00	7326.20.00	7413.00.90	7608.10.00
7608.20.00	8302.10.60	8302.20.00	8302.42.30
8302.49.60	8302.60.30	8412.21.00	8412.29.80
8412.90.90	8413.81.00	8413.91.90	8414.30.40
8414.59.65	8414.80.16	8414.90.30	8414.90.41
8415.10.60	8415.10.90	8415.81.01	8415.82.01
8415.83.00	8415.90.40	8415.90.80	8418.10.00
8418.30.00	8418.40.00	8419.50.10	8419.50.50
8419.81.50	8419.90.10	8421.29.00	8425.42.00
8426.99.00	8428.33.00	8428.39.00	8428.90.03
8479.89.65	8479.89.95	8479.90.45	8479.90.55
8479.90.65	8479.90.75	8479.90.85	8479.90.95
8483.10.10	8483.10.50	8483.30.40	8483.30.80
8483.40.10	8483.40.50	8483.40.90	8483.50.60
8483.50.90	8483.60.40	8483.60.80	8483.90.20
8483.90.30	8483.90.50	8483.90.80	8501.53.60
8502.20.00	8502.31.00	8504.31.20	8504.31.40
8504.31.60	8504.32.00	8504.33.00	8514.20.40
8517.71.00	8529.90.73	8543.90.88”.	

5. New heading 9903.96.03 is inserted in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special”, and “Rates of Duty 2”, respectively:

Heading / Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.96.03	Civil aircraft (all aircraft other than military aircraft and unmanned aircraft) components that are products of	No change	No change	No change”.

	Taiwan, provided for in subdivision (c) of U.S. note 35 to this subchapter.			
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6. U.S. note 2(aa)(v)(3) is modified by deleting “9903.94.64 and 9903.94.65” and inserting “9903.94.64, 9903.94.65, 9903.94.66, 9903.94.67, 9903.94.68 and 9903.94.69” in lieu thereof.
7. U.S. note 2(aa)(v)(4) is modified by deleting “9903.76.22 and 9903.76.23” and inserting “9903.76.22, 9903.76.23 and 9903.76.24” in lieu thereof.
8. U.S. note 33(f) is modified by deleting “9903.94.62, and 9903.94.63” in each place it appears and inserting “9903.94.62, 9903.94.63, 9903.94.66 and 9903.94.67” in lieu thereof.
9. U.S. note 33(g) is modified by deleting “9903.94.62, and 9903.94.63,” and inserting “9903.94.62, 9903.94.63, 9903.94.66 and 9903.94.67” in lieu thereof.
10. U.S. Note 33(j) is modified by deleting “the [date of publication of this Federal Register notice,” and by inserting “June 30, 2025,” in lieu thereof.
11. U.S. note 33(m) is modified by deleting “headings 9903.94.60–9903.94.65, for any good of Japan, the European Union, or South Korea” and inserting “headings 9903.94.60–9903.94.69 for any good of Japan, of the European Union, of South Korea or of Taiwan” in lieu thereof.
12. U.S. note 33(p) is modified by deleting “9903.94.64, and 9903.94.65” and inserting “9903.94.64, 9903.94.65, 9903.94.68 and 9903.94.69” in lieu thereof.
13. U.S. note 33(r) is modified by:
 - a. deleting “9903.94.64, and 9903.94.65” in each place it appears and inserting “9903.94.64, 9903.94.65, 9903.94.68 and 9903.94.69” in lieu thereof;
 - b. deleting “9903.94.64, or 9903.94.65” and inserting “9903.94.64, 9903.94.65, 9903.94.68, or 9903.94.69” in lieu thereof; and
 - c. deleting “South Korea, and Japan” and inserting “South Korea, Japan, and Taiwan” in lieu thereof.
14. U.S. note 33(s) is modified by deleting “December [DATE OF FEDERAL REGISTER NOTICE PUBLICATION],” and inserting “December 4,” in lieu thereof.
15. U.S. note 33(t) is modified by deleting “December [DATE OF FEDERAL REGISTER NOTICE PUBLICATION],” and inserting “December 4,” in lieu thereof.
16. U.S. note 37:

- a. is modified by deleting “provided by 9903.76.04” in each place that it appears and inserting “provided by heading 9903.76.04” in lieu thereof;
 - b. subdivision (c) is modified by deleting “South Korea and Japan” and inserting “South Korea, Japan, and Taiwan” in lieu thereof;
 - c. subdivision (d) is modified by:
 - i. deleting “9903.76.22, and 9903.76.23” and inserting “9903.76.22, 9903.76.23, and 9903.76.24” in lieu thereof; and
 - ii. deleting “(j), and (l)” and inserting “(j), (l), and (m)” in lieu thereof;
 - d. subdivision (e) is modified by deleting “South Korea, and Japan” and inserting “South Korea, Japan, and Taiwan” in lieu thereof;
 - e. subdivision (f) is modified by:
 - i. deleting “9903.76.22, and 9903.76.23” and inserting “9903.76.22, 9903.76.23, and 9903.76.24” in lieu thereof; and
 - ii. deleting “(j), and (l)” and inserting “(j), (l), and (m)” in lieu thereof; and
 - f. subdivision (k) is modified by deleting “9903.76.22, or 9903.76.23” and inserting “9903.76.22, 9903.76.23, or 9903.76.24” in lieu thereof.
17. U.S. note 39(a) is modified by deleting “9903.94.64 and 9903.94.65” and inserting “9903.94.64, 9903.94.65, 9903.94.66, 9903.94.67, 9903.94.68, and 9903.94.69” in lieu thereof.
18. Heading 9903.94.05 is modified by deleting “9903.94.62, and 9903.94.63” from the article description and inserting “9903.94.62, 9903.94.63, 9903.94.66 and 9903.94.67” in lieu thereof.
19. Heading 9903.94.07 is modified by deleting “9903.94.64, and 9903.94.65” in the article description and inserting “9903.94.64, 9903.94.65, 9903.94.68, and 9903.94.69” in lieu thereof.
20. Heading 9903.94.31 is modified by deleting “[]” in the article description and inserting “June 30, 2025” in lieu thereof.
21. Heading 9903.94.32 is modified by deleting “[]” in the article description and inserting “June 30, 2025” in lieu thereof.
22. Heading 9903.96.01 is modified by deleting “[]” in the article description and inserting “June 30, 2025” in lieu thereof.