



EXECUTIVE ORDER

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STRENGTHENING CUSTOMS ENFORCEMENT

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby determine and order:

Section 1. Purpose. Customs enforcement is essential to the national security, foreign policy, and economy of the United States. Effective customs enforcement prevents the importation of unlawful and dangerous goods; ensures importers of record (IORs) are correctly identified and accountable for duties owed; and guarantees compliance with numerous Federal laws, including laws governing forced labor, rules of origin, origin marking, intellectual property, revenue collection, and product safety.

Customs reform is long overdue. Systemic inefficiencies, loopholes, insufficient enforcement mechanisms, and outdated processes have created opportunities for malign actors to evade Federal law. Examples of noncompliance include undervaluing imports, withholding critical information about IORs and the goods being imported, and avoiding payment of duties through various arrangements and schemes. These actions threaten national security, undermine foreign relations, disadvantage domestic businesses, and harm Americans.

The United States must strengthen its customs enforcement through comprehensive reform, including through agency action and legislation. Such reform should focus on protecting national security, promoting lawful trade, ensuring the timely collection of duties, modernizing systems and processes,

bolstering compliance mechanisms, increasing transparency, and protecting Americans and the domestic economy.

Sec. 2. Importers of Record. (a) Within 180 days of the date of this order, the Secretary of Homeland Security (Secretary) shall, pursuant to 19 U.S.C. 66, 1484, 1498, 1623, 1624, and 4320, and any other applicable law, take steps to revise importer eligibility regulations, guidance, and policies consistent with the policy of this order. These revisions shall include:

- (i) requiring that an IOR maintain at all times a minimum level of tangible domestic assets, bonding, or both, as determined by U.S. Customs and Border Protection (CBP) to be necessary to ensure compliance with U.S. customs and trade laws, and increasing the minimum required bond coverage for an IOR;
- (ii) requiring that an IOR be designated and reported to CBP, and that a bond, or sufficient tangible domestic assets, or both, be required, for all formal entries under 19 U.S.C. 1484 and informal entries under regulations promulgated pursuant to 19 U.S.C. 1498; and
- (iii) requiring that an IOR provide to CBP additional data and identification information, including anticipated import volumes, year organized, ownership and beneficial ownership disclosures, business affiliation disclosures, and domestic asset disclosures, and any other data that CBP deems necessary.

(b) (i) Pursuant to 19 U.S.C. 66, 1484, 1498, 1623, 1624, and 4320, and any other applicable law, the Secretary shall promptly issue, amend, modify, or rescind any relevant

regulation, policy, or guidance to prohibit a foreign IOR from filing informal entry under regulations promulgated pursuant to 19 U.S.C. 1498.

(ii) These prohibitions for informal entry are necessary for foreign IORs importing low-value articles because such IORs are not similarly situated to U.S. IORs. This is in part due to the substantially higher volumes of low-value articles that are imported by foreign individuals and companies that are less familiar with U.S. customs and trade laws and that face lower penalty amounts and financial consequences for noncompliance where penalty amounts are correlated to value. It is critically important that the United States be able to counter these challenges through meaningful and effective enforcement actions. The United States faces substantial barriers when seeking to enforce U.S. customs and trade laws against foreign actors like foreign IORs, particularly when assets, operations, and key individuals are located overseas. Prohibiting the filing of informal entries for foreign IORs puts all IORs on equal footing and is necessary to treat IORs equally based on their individualized circumstances and in order to protect U.S. revenue and domestic industry, protect American consumers, strengthen national security, and maintain foreign relations. In any event, I determine that it is not in the interests of national security or practicable to treat foreign IORs equally to U.S. IORs in the informal entry environment.

(c)(i) Pursuant to 19 U.S.C. 66, 1484, 1498, 1623, 1624, and 4320, and any other applicable law, the Secretary shall promptly issue, amend, modify, or rescind any relevant regulation, policy, or guidance to require for formal entry under 19 U.S.C. 1484 that a foreign IOR: (1) may not rely on a continuous bond to meet the bond requirements for entry, except as permitted by CBP when the foreign IOR has demonstrated that the revenue would be fully protected and that compliance with the laws, regulations, and instructions enforced by CBP would be assured; and (2) be validated in CBP's Customs Trade Partnership Against Terrorism (CTPAT), if determined by CBP to be eligible, or use a CTPAT validated and licensed customs broker to file entries with CBP.

(ii) These additional requirements for formal entry are necessary for foreign IORs because such IORs are not similarly situated to U.S. IORs. The United States faces substantial barriers when seeking to enforce U.S. customs and trade laws against foreign actors like foreign IORs, particularly when assets, operations, and key individuals are located overseas. Principles such as the revenue rule reinforce why it is important for the United States to impose heightened requirements against foreign IORs, which can more easily evade payment of amounts owed and other consequences for noncompliance with U.S. customs and trade laws. Foreign IORs may exploit U.S. customs and trade laws and refuse to pay their customs debts, knowing the challenges posed by international enforcement of domestic customs laws and regulations. Because these challenges are not present for U.S. IORs, the additional requirements for formal

entry for foreign IORs put all IORs on equal footing and are necessary to treat IORs equally based on their individualized circumstances and in order to protect U.S. revenue and domestic industry, protect American consumers, strengthen national security, and maintain foreign relations. Moreover, I determine the current conditions of entry produce, in practice, unequal treatment of U.S. IORs when compared to foreign IORs. In any event, I determine that it is not practicable to treat foreign IORs equally to U.S. IORs, at least not in the respect detailed in subsection (b) of this section.

(d) Within 180 days of the date of this order, the Secretary shall require all IORs to maintain "good standing" with CBP, and CBP shall define "good standing" based on the IOR's and its affiliates' history of compliance with U.S. customs and trade laws and regulations and payment of required customs liabilities, among other relevant considerations. For example, IORs that have been found by CBP to have illegally imported fentanyl, nitazene, or other illicit substances or contraband, including precursor chemicals for the purposes of manufacturing illicit substances, shall, consistent with applicable law, not be in "good standing" with CBP. IORs not in "good standing" with CBP shall not be allowed to import into the United States or otherwise conduct activities directly related to the importation of goods, including designating a customs broker to act as IOR on their behalf.

(e) Within 180 days of the date of this order, the Secretary shall update the IOR registry consistent with the policy of this order. These updates shall include removing inactive IORs; confirming active IORs are compliant with all

applicable regulations and disclosures; and creating risk-based tiers for IORs based on compliance history, enforcement actions, and audit results, among other things.

(f) Within 180 days of the date of this order, the Secretary shall establish enhanced vetting procedures, including recurrent vetting, for all individuals and entities seeking to conduct activities directly related to the importation of goods, including foreign IORs, affiliates of IORs, customs brokers, custodians of bonded merchandise, and freight forwarders.

Sec. 3. Import Disclosure and Certification Requirements.

(a) The Secretary shall take steps to establish heightened import disclosure and certification requirements consistent with the policy of this order. These heightened requirements shall include certifying compliance with critical supply chain requirements like the Countering America's Adversaries through Sanctions Act (Public Law 115-44), 18 U.S.C 545, and others to be determined by CBP, in consultation with the heads of relevant executive departments and agencies (agencies); disclosing certain foreign tax and global business identifiers; and providing detailed information about the imported good's supply chain and production methods, such as the manufacturer's product identifier (e.g., model or style number) or key specifications (e.g., composition, grade, or size). The Secretary shall enforce all applicable criminal fines and civil penalties in the event of noncompliance with these heightened requirements.

(b) Within 90 days of the date of this order, the Secretary shall take steps to establish a requirement mandating the submission of any documentation or information that the foreign exporter was required to submit to the foreign customs administration prior to exporting to the United States.

Sec. 4. Enforcement and Penalties. (a) The Secretary shall, to the maximum extent permitted by applicable law, take any action he deems necessary to bolster the enforcement of customs laws, regulations, and other mandates, including conditions necessary for participation in the CTPAT program. These actions shall include enforcing liquidated damages claims against bonds for noncompliance; restricting in-bond utilization; increasing audits; and imposing maximum penalties for brokers who, for example, fail to conduct due diligence, repeatedly represent noncompliant clients, or fail to cooperate in a timely manner with requests for information by CBP.

(b) The Secretary and the Attorney General shall take all appropriate action to prioritize the enforcement of Federal law relating to importations involving products produced by forced labor, and importations involving misclassification, undervaluation, and illegal transshipment, including investigations conducted pursuant to the Enforce and Protect Act (Public Law 114-125).

(c) Within 90 days of the date of this order, the Secretary shall take steps to revise all mitigation standards consistent with the policy of this order. These revisions shall include establishing a minimum penalty floor of not less than 50 percent of the assessed penalty, absent exceptional circumstances that materially impact national security; establishing a minimum liquidated damages floor; and eliminating mitigation for repeat offenders.

Sec. 5. Streamlined Disposal. Within 90 days of the date of this order, the Secretary shall, to the maximum extent permitted by applicable law, take actions to expedite and enhance the seizure and disposal of non-compliant imports. These actions shall include reducing or eliminating regulatory

burdens to voluntary abandonment, increasing bond requirements for high-risk shipments, authorizing third-party disposal, and utilizing authorities under 19 U.S.C. 1612.

Sec. 6. Transparency. Within 90 days of the date of this order, and in consultation with the heads of relevant agencies, the Secretary shall enhance transparency in customs by taking steps to establish various requirements, standards, and practices consistent with the policy of this order. These measures shall include requiring periodic review and expiration of confidentiality requests, as appropriate; and publishing annual enforcement transparency reports. Each measure established under this section shall be consistent with applicable law, national security, and any other applicable limit on the disclosure of sensitive information.

Sec. 7. Consideration of Relevant Issues. In making the judgments in this order, I have considered all relevant alternatives including less restrictive alternatives, all legitimate reliance interests, and all other relevant issues and factors and determine that the action and policy judgments in this order are the reasonable result. For example, in ordering the action specified in section 2(b) and section 2(c) of this order, I have considered all relevant alternatives including less restrictive alternatives, all legitimate reliance interests, and all other relevant issues and factors, and I determine that prohibiting foreign IORs from filing informal entry pursuant to regulations promulgated under 19 U.S.C. 1498 and increasing the requirements for foreign IORs to use formal entry are reasonable policy judgments.

Sec. 8. Legislation. Within 45 days of the date of this order, the Secretary, in consultation with the Director of the Office of Management and Budget and the heads of any other



relevant agencies, shall submit to the President, through the Senior Counselor for Trade and Manufacturing, recommendations for legislation to strengthen customs enforcement.

Sec. 9. Reporting. Within 1 year of the date of this order, the Secretary shall submit a report to the President, through the United States Trade Representative, the Assistant to the President for Economic Policy, and the Senior Counselor for Trade and Manufacturing, on the effectiveness of the matters set forth in this order.

Sec. 10. Definitions. For purposes of this order:

(a) The term "U.S. IOR" means an IOR that, in the case of an individual, is a United States citizen or a lawful permanent resident, and in the case of an entity, is organized under the laws of the United States, is located in the United States, and has at all times controlling beneficial owner(s) who are United States citizens or lawful permanent residents; or, in the case of an entity, owns a significant amount of real property in the United States, as determined by the Secretary.

(b) The term "foreign IOR" means an IOR that does not meet the definition of "U.S. IOR" -- in the case of an individual, is not a United States citizen or a lawful permanent resident, and in the case of an entity, is not organized under the laws of the United States, not located in the United States, does not have at all times controlling beneficial owner(s) who are United States citizens or lawful permanent residents, or does not own a significant amount of real property in the United States, as determined by the Secretary.

(c) For purposes of the definitions of "U.S. IOR" and "foreign IOR," the Secretary shall provide further guidance concerning the meaning of the term "located in the United States," and such guidance shall prioritize preventing entities

from using shell companies, sham transactions, or artificial corporate or organizational structuring in an attempt to qualify as a U.S. IOR. At a minimum, to be "located in the United States" an entity must have:

- (i) its principal place of business in the United States;
- (ii) a physical presence where significant business activity is conducted in the United States; and
- (iii) sufficient tangible assets located in the United States, taking into account the size and scale of the overall operations of the company and whether the entity is an instrumentality of a foreign manufacturer without a substantial United States presence.

Sec. 11. Severability. If any provision of this order, or the application of any provision of this order to any individual or circumstance, is held to be invalid, the remainder of this order and the application of its provisions to any other individuals or circumstances shall not be affected.

Sec. 12. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

- (i) the authority granted by law to an executive department or agency, or the head thereof; or
- (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law, including the Administrative Procedure Act, and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) The costs for publication of this order shall be borne by the Department of Homeland Security.

THE WHITE HOUSE,

June 3, 2026.

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