

Tariffs

Civics is all around us. There is a lot to know about the government and how "We the People" interact with the government and each other. Let's help each other expand our civic literacy.

During the COVID-19/Novel coronavirus pandemic, federal legislators have expressed concern about tariffs on imports of needed products, such as masks, ventilators, and medicines. These tariffs might drive up purchasing costs for government, business, and individuals, making the fight against the virus

more difficult.

According to the Congressional Research Service, tariffs are duties (taxes), that are paid on imports. Imports are goods that are brought into the United States to be sold. Tariffs are paid by the company or person bringing the goods into the country, not the country from which the product originates. That tax cost is often built into the sale price of the good when it is sold to the American consumer, which raises the price. Tariffs are typically used to protect domestic industries or as leverage in trade negotiations and disputes.



Congress and the President create U.S. tariff policy within the context of a rules-based global trading system. The United States government imposes tariffs to ensure that manufacturers based in the United States can compete financially against companies from other countries. For example, cars manufactured and sold in the United States will cost less than similar cars manufactured in South Korea and imported to the United States to be sold. Tariffs protect American jobs and companies. Sometimes, though, during times of crisis, tariffs can be an obstacle to getting needed supplies into the country because of the increased cost of foreign goods. The increased cost of thermometers, masks, CT scans, ventilators, patient monitors, and other devices which had to be imported to address supply shortages became difficult to get at an affordable cost to fight the pandemic.

On April 7, 2020, the U.S. House of Representatives Committee on Ways and Means asked the United States International Trade Commission to "identify imported products that may be needed to respond to the COVID-19 pandemic and provide trade-related information for them, including their source countries, tariff classifications, and applicable rates of duty." It normally requires a great deal of effort to waive tariffs on imported goods, but after review the U.S. government has quickly done so on these types of goods in order to protect American lives.



To Think and To Do: Explore the links in the Learn More section to understand different tariffs imposed by the United States government on imports. What are some other goods that are subject to tariffs, and how might these impact you and your family?

Learn MORE about tariffs. Free registration may be required.

- Tariffs on European Goods, from Cromwell Moring International Trade Law
- Tariffs on Chinese Goods, from Ecomcrew
- U.S. Tariff Policy, from The Congressional Research Service



