THE WHITE HOUSE
WASHINGTON

PRESIDENTIAL ACTIONS

Imposing a Temporary Import Surcharge to Address Fundamental International Payments Problems

Proclamations

February 20, 2026

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA
A PROCLAMATION

1. The United States plays a pivotal role in shaping the global economy. At the same time, the United States faces various threats to its own economy and national interests. Sometimes, the United States faces fundamental international payments problems, such as large and serious balance-of-payments deficits, an imminent and significant depreciation of its currency in foreign exchange markets, or an international balance-of-payments disequilibrium. These problems can, among other things, endanger the ability of the United States to finance its spending, erode investor confidence in the economy, and distress the financial markets.
2. Special import measures to restrict imports, such as surcharges and quotas, are key tools to protect the economy and national security of the United States, and, in certain circumstances, they are required to deal with fundamental international payments problems.
3. Given the gravity of fundamental international payments problems and the importance of import restrictions as economic, national security, and foreign policy tools, Federal law, including section 122 of the Trade Act of 1974 (19 U.S.C. 2132) (section 122), empowers the President to take action through surcharges and other special import restrictions to address fundamental international payments problems.
4. I have received certain requested information and opinions from senior officials on whether any fundamental international payments problems exist and the extent to which such problems could impair United States national interests, including economic and

national security interests. The information and opinions discuss, among other things, the state of the balance of payments of the United States, the standing of the United States dollar in foreign exchange markets, and the state of international balances of payments. I have also received opinions and recommendations from senior officials on whether special import measures to restrict imports are required to address any fundamental international payments problems. These opinions address, among other things, whether a surcharge in the form of ad valorem duties is required to restrict imports to deal with large and serious United States balance-of-payments deficits, to prevent an imminent and significant depreciation of the United States dollar in foreign exchange markets, or to cooperate with other countries in correcting an international balance-of-payments disequilibrium.

5. These senior officials have informed me that fundamental international payments problems within the meaning of section 122 exist and that special import measures to restrict imports are required to address these problems. Specifically, my advisors have determined that an import surcharge in the form of ad valorem duties is required to deal with large and serious United States balance-of-payments deficits. My advisors have also opined that certain products should not be subject to the surcharge because of the needs of the United States economy and that the recommended exceptions are consistent with the limitations of section 122, the purposes of section 122, and the national interest of the United States.
6. Among other things, I have been informed by my advisors that the United States balance-of-payments position, under any reasonable understanding of the term in the context of section 122, is currently a large and serious deficit. My advisors have studied different methods of evaluating balance-of-payments deficits, including calculations based on current-account statistics. In my advisors' opinions, under any of these methods, the United States balance-of-payments position is a large and serious deficit.
7. For instance, my advisors have informed me that the United States runs a deficit in selling goods and services overseas, as reported by the United States Bureau of Economic Analysis (BEA) in the "balance on goods and services"; has recently reflected quarterly deficits in its return on investment or labor, as reported by the BEA in the "balance on primary income"; and runs a deficit in voluntary transfers, such as remittances, as reported by the BEA in the "balance on secondary income." In other words, the United States runs a trade deficit, does not currently make a net income from the capital and labor that it deploys abroad, and experiences more transfer payments, on net, flowing out of the country than into the country.
8. As my advisors have informed me, the United States runs a substantial trade deficit. The large, persistent, and serious annual United States goods trade deficit has grown by over 40 percent in the past 5 years alone, reaching $1.2 trillion in 2024. In 2025, the United States goods trade deficit remained at approximately $1.2 trillion. The effects of this

deficit are serious, and this deficit contributes to the fundamental international payments problems facing the United States.

9. As my advisors have also informed me, the annual balance on the United States primary income turned negative for the first time since at least 1960 in 2024. From 1960 to 2023, the United States ran a surplus in its annual balance on primary income. That positive balance on primary income served as a stabilizing force for the United States balance-of-payments position even in the face of large and persistent trade deficits. In 2024, however, the balance on primary income turned negative and thus ceased to serve as a counterweight to the trade deficit in the United States current account. Indeed, in 2024, the United States maintained a current account deficit of 4.0 percent of gross domestic product (GDP), almost double the current account deficit of approximately 2.0 percent that prevailed between 2013 and 2019, and larger than that which prevailed from 2019 to 2023. As a share of GDP, the staggering deficit of 4.0 percent represented the biggest annual current account deficit since 2008.

10. As my advisors have also informed me, the net international-investment position of the United States is in an ongoing decline. According to the BEA, at the end of 2024, the net international-investment position of the United States, as a share of GDP, was negative 90 percent, a sharp deterioration from the average of negative 41 percent in the decade between 2010 and 2020. In my advisors' view, this is a highly atypical position for a country, particularly the United States. Indeed, both in terms of United States dollars and as a share of GDP, this represents one of the most negative net international-investment positions of any developed country. Because the current account is one of the primary drivers of changes in the net international-investment position, the atypically large negative net international-investment position of the United States shows that the United States balance-of-payments deficit is large and serious.

11. Further, as my advisors have informed me, the balance on secondary income of the United States has been persistently in a deficit since the 1960s.

12. According to my advisors, an import surcharge in the form of ad valorem duties is required to address these fundamental international payments problems. In my advisors' opinions, imposing an import surcharge would deal with the large and serious United States balance-of-payments deficit. My advisors have further recommended that certain products should not be subject to the surcharge because of the needs of the United States economy and have opined that a surcharge with certain exceptions would more effectively deal with the balance-of-payments deficit than would a surcharge without the exceptions.

13. After considering the information, opinions, and recommendations that have been provided to me by senior officials, among other relevant information and considerations, I find that fundamental international payments problems within the meaning of section 122 exist; that those problems significantly harm United States national interests, including

economic and national security interests; and that special measures to restrict imports are required to address those problems, as authorized by section 122. Specifically, I find that a surcharge in the form of ad valorem duties on certain imports is required to deal with the United States' large and serious balance-of-payments deficit. Accordingly, I impose, for a period of 150 days, a temporary import surcharge of 10 percent ad valorem, as described below, on articles imported into the United States, effective February 24, 2026.

14. Because of the needs of the United States economy, I determine that the surcharge imposed in this proclamation shall not apply to the following products, as further detailed in Annexes I and II to this proclamation:
(a) certain critical minerals;
(b) metals used in currency and bullion;
(c) energy and energy products;
(d) natural resources and fertilizers that cannot be grown, mined, or otherwise produced in the United States or grown, mined, or otherwise produced in sufficient quantities to meet domestic demand;
(e) certain agricultural products, including beef, tomatoes, and oranges;
(f) pharmaceuticals and pharmaceutical ingredients;
(g) certain electronics;
(h) passenger vehicles, certain light trucks, certain medium- and heavy-duty vehicles, buses, and certain parts of passenger vehicles, light trucks, medium- and heavy-duty vehicles, and buses;
(i) certain aerospace products;
(j) information materials, donations, and accompanied baggage;
(k) all articles and parts of articles currently or that later become subject to additional import restrictions imposed pursuant to section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) (section 232);
(l) articles that are entered free of duty as a good of Canada or Mexico under the terms of general note 11 to the Harmonized Tariff Schedule of the United States (HTSUS), including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the HTSUS, as related to the Agreement between the United States of America, United Mexican States, and Canada; and
(m) textile and apparel articles that are entered free of duty as a good of Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, or Nicaragua under the Dominican Republic-Central America Free Trade Agreement.

15. I find that each exception described in paragraph 14 of this proclamation — in whole or in part, separately or in any combination — is consistent with the limitations of section 122. These exceptions, which are further detailed in Annexes I and II to this proclamation, reflect my determination that each product covered by each exception should not be subject to a surcharge because of (1) the unavailability of domestic supply at reasonable

prices, the necessary importation of raw materials, the avoidance of serious dislocations in the supply of imported goods, or other similar factors; or (2) the fact that the surcharge would be unnecessary or ineffective in carrying out the purposes of section 122, such as with respect to articles already subject to import restrictions or goods in transit, which — for purposes of this proclamation — are goods that (i) were loaded onto a vessel at the port of loading and in transit on the final mode of transit prior to entry into the United States, before 12:01 a.m. eastern standard time on February 24, 2026; and (ii) are entered for consumption, or withdrawn from warehouse for consumption, before 12:01 a.m. eastern standard time, February 28, 2026. I have determined that each exception described in paragraph 14 of this proclamation — in whole or in part, separately or in any combination — is consistent with the purposes of section 122 and will best serve the purposes of section 122. Each of my determinations to except an import from the surcharge imposed in this proclamation is independent from the other. The import-restricting action and the exceptions in this proclamation are not made for the purpose of protecting individual domestic industries from import competition.

16. In my judgment, the surcharge imposed in this proclamation is consistent with the purposes of section 122, the national interest of the United States, and the needs of the economy of the United States. Restricting imports through the surcharge imposed in this proclamation is required to address the fundamental international payments problems within the meaning of section 122 that I have found to exist. The surcharge imposed in this proclamation will deal with the large and serious United States balance-of-payments deficit.

17. Section 122 authorizes the President to impose, for a period not exceeding 150 days unless extended by an Act of the Congress, a temporary import surcharge up to 15 percent ad valorem and other temporary limitations on articles imported into the United States in situations of fundamental international payments problems.

18. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483) (section 604), authorizes the President to embody in the HTSUS the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States, including section 122, section 301 of title 3, United States Code, and section 604, do hereby proclaim as follows:

(1) Except as otherwise provided in this proclamation, as set forth in Annexes I and II to this proclamation, all articles imported into the United States shall be subject to a 10 percent ad valorem duty rate.

(2) The surcharge imposed in this proclamation shall not apply to imports of articles listed in paragraph 2 of Annex I to this proclamation and as enumerated in Annex II to this proclamation.

(3) Except as otherwise provided in this proclamation, the surcharge imposed in this proclamation is in addition to any other duties, taxes, fees, exactions, and charges applicable to

such products.
(4) The surcharge imposed in this proclamation shall not apply in addition to tariffs imposed under section 232. To the extent a tariff imposed under section 232 applies to part of an import, the surcharge imposed in this proclamation shall apply to the part of the import to which section 232 tariffs do not apply but shall not apply to the part of the import to which section 232 tariffs do apply.
(5) The surcharge imposed in this proclamation shall be treated as a regular customs duty.
(6) Any article subject to the surcharge imposed in this proclamation, except those articles eligible for admission under "domestic status" as described in 19 CFR 146.43, that is subject to the surcharge imposed in this proclamation and that is admitted into a United States foreign trade zone on or after the effective date of this proclamation must be admitted as "privileged foreign status," as described in 19 CFR 146.41, and will be subject upon entry for consumption to any ad valorem rate of duty related to the classification under the applicable HTSUS subheading.
(7) The HTSUS shall be modified as provided in Annex I to this proclamation. The modifications shall be effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on February 24, 2026, and shall continue in effect through 12:01 a.m. eastern daylight time on July 24, 2026, unless the surcharge imposed in this proclamation is expressly suspended, modified, or terminated on an earlier date, or unless the effective period of such surcharge is extended by an Act of the Congress.
(8) The head of each executive department and agency (agency) is authorized to and shall take all appropriate measures within the agency's authority to implement this proclamation. The head of each agency may, consistent with applicable law, including section 301 of title 3, United States Code, redelegate the authority to take such appropriate measures within the agency.
(9) The United States Trade Representative (Trade Representative), in consultation with any senior official he deems appropriate, shall monitor and review the status of conditions related to the fundamental international payments problems of the United States, the effect of the surcharge imposed in this proclamation, and any factors he deems relevant. The Trade Representative shall also inform the President of any circumstance that, in the Trade Representative's opinion, might indicate the need for further action by the President, including under section 122. And the Trade Representative shall inform the President of any circumstance that, in the Trade Representative's opinion, might indicate that the surcharge imposed in this proclamation should be suspended, modified, or terminated.
(10) The Trade Representative, in consultation with the Chair of the United States International Trade Commission and the Commissioner of U.S. Customs and Border Protection (CBP), shall determine whether any additional modifications to the HTSUS are necessary to effectuate this proclamation and shall make such modifications to the HTSUS through notice in the Federal Register, including any technical correction to Annexes I and II to this proclamation.
(11) The Commissioner of CBP may take any necessary or appropriate measures to administer the surcharge imposed by this proclamation.

(12) (a) Any provision of previous proclamations and Executive Orders that is inconsistent with this proclamation is superseded to the extent of such inconsistency. If any provision of this proclamation or the application of any provision to any individual or circumstance is held to be invalid, the remainder of this proclamation and the application of its provisions to any other individuals or circumstances shall not be affected.

(b) If any exception to the surcharge imposed in this proclamation is held to be invalid in whole or in part, only that exception or that part of the exception shall be treated as invalid. The surcharge imposed in this proclamation shall apply to imports to which the invalidated exception or the invalidated part of the exception applied before its invalidation, but to the extent consistent with law, the surcharge shall be collected only prospectively from the date of the invalidation. No other exception, part of an exception, or application of an exception shall be treated as invalid. This severability provision shall operate even if the surcharge must be applied retroactively to imports to which the invalidated exception or the invalidated part of the exception applied before its invalidation. I would adopt each exception in this proclamation in whole or in part, separately, or in any combination. Each exception, in whole or in part, in this proclamation is supported by the needs of the United States economy and one or more of the factors described in section 122 and is consistent with the national interest of the United States and the purposes of section 122.

(c) This severability provision reflects my determination that the surcharge imposed in this proclamation should remain operative until July 24, 2026, in a way that is consistent with law, including the limitations of section 122, to deal with the large and serious United States balance-of-payments deficits found in this proclamation, regardless of whether any exception or exceptions, in whole or in part, are invalidated. The surcharge imposed in this proclamation — with any combination of the exceptions in paragraph 14 of this proclamation, or even without any of the exceptions in paragraph 14 of this proclamation — is required to deal with the large and serious United States balance-of-payments deficits found in this proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand this twentieth day of February, in the year of our Lord two thousand twenty-six, and of the Independence of the United States of America the two hundred and fiftieth.

LINK TO ANNEX

LINK TO ANNEX 2

DONALD J. TRUMP

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