

Tariffs Imposed on Medium- and Heavy-Duty Vehicles, Parts, and Buses Under Section 232

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On October 17, President Trump issued a [proclamation](#), “*Adjusting Imports of Medium- and Heavy-Duty Vehicles, Medium- and Heavy- Duty Vehicle Parts, and Buses into the United States*” (the Proclamation), under Section 232 of the Trade Expansion Act of 1962 (Section 232), imposing new tariffs on certain imports of medium- and heavy-duty vehicles (MHDVs), medium- and heavy-duty vehicle parts (MHDVPs), and buses, due to concerns about national security stemming from dependence on foreign manufacturing. This action builds on the Administration’s broader Section 232 strategy, which has already imposed tariffs on a range of imported products affecting different sectors, including but not limited to [passenger vehicles, light trucks and specific automotive parts](#), and [steel, aluminum, and derivative parts](#).

Effective Date

The Proclamation takes effect November 1, 2025, at 12:01 a.m. ET, and applies to Covered Goods (defined below) entered for consumption or withdrawn from warehouse on or after that time.

Covered Products

The new duties apply to the following goods identified in [Annex I](#) of the Proclamation (collectively, Covered Goods):

- MHDVs: commercial trucks and tractors classified in Classes 4 through 8, which generally includes vehicles with a gross vehicle weight rating of 14,001 lbs. (approximately 6,351 kg) or above.
- MHDVPs: core components and subassemblies, including but not limited to engines, batteries, transmissions, castings, forgings, axles, chassis frames, and similar items.
- Buses: vehicles under Harmonized Tariff Schedule of the United States (HTSUS) heading 8702, including city, coach, and transit buses.

The Proclamation expressly covers vehicles imported in “knock-down” form for final assembly in the U.S. to prevent circumvention.

Tariff Rates

- 25% ad valorem on MHDVs and specified MHDVPs.
- 10% ad valorem on buses under HTSUS heading 8702.

Exemptions and Non-Exemptions

- USMCA-Origin Vehicles: For MHDVs qualifying for preferential tariff treatment under the U.S.–Mexico–Canada Agreement (USMCA), the tariff will only apply to the value of the non-U.S. content. Importers must submit documentation verifying U.S. value-added content to Commerce for approval.
- USMCA-Origin Parts: For MHDVPs qualifying for USMCA preferential treatment, the tariff will not be formally imposed until after Commerce “establishes a process to apply tariffs to the non-U.S. content of the parts.”
- Older Vehicles: These tariffs do not apply to MHDVs or buses and other vehicles classified in HTSUS heading 8702, provided they were manufactured at least 25 years before their entry date.
- Knock-Down Kits: Imports of MHDV knock-down kits or equivalent parts compilations, as determined by U.S. Customs and Border Protection (CBP), shall continue to be subject to the additional *ad valorem* duty rate imposed under the Proclamation regardless of USMCA preferential treatment qualification. Additionally, such imports will not qualify for import adjustment offsets (discussed below).

Drawback and Tariff Stacking

- Drawback: Only drawback claims under subsections (a) and (b) of Section 313 of the Tariff Act of 1930 are permitted. Other types of drawback claims may lead to a reduction in offset allowances.
- Tariff Stacking: Stacking rules from previous Section 232 tariffs on [passenger vehicles, light trucks and specific automotive parts](#) will apply to Covered Products. This means Covered Products will not be subject to additional or existing Section 232 tariffs on steel, aluminum, copper, automobiles and automobile parts, or lumber. Furthermore, they will not be subject to reciprocal tariffs implemented under Executive Order [14257](#), later amended by Executive order [14266](#), and further amended by Executive Order [14316](#), or the tariffs imposed on Canada (pursuant to Executive Orders [14193](#), [14197](#), [14231](#), and [14226](#)) Mexico (pursuant to Executive Orders [14194](#), [14198](#), and [14227](#)), Brazil (pursuant to Executive Order [14323](#)) or India (pursuant to Executive Order [14329](#)). However, Covered Products will be subject to any other applicable duties and tariffs, including the [20% across-the-board tariff imposed on all Chinese imports under Executive Order 14196, as amended by Executive Order 14228](#), tariffs imposed pursuant to Section 301 of the Trade Act of 1974 (the Trade Act), tariffs imposed pursuant to Section 201 of the Trade Act, and antidumping and countervailing duty orders.

Import Adjustment Offset

To encourage domestic assembly, the Proclamation establishes an import adjustment offset program for November 1, 2025 through October 31, 2030.

This offset is 3.75% of the total value of all such MHDVs assembled in the U.S. from 2025 to 2030. This percentage represents the duty that would be due if a 25% tariff were applied to 15% of the value of a U.S.-assembled truck. Manufacturers that assemble MHDVs in the U.S. can use this offset to reduce any Section 232 tariffs on MHDVPs they owe. A similar offset program will be created for manufacturers of MHDV engines, based on the value of engines assembled in the U.S. Recognizing the shared suppliers and structural similarities between the truck and passenger/light vehicle industries, the Proclamation also adjusts the Section 232 automobile tariff program to align with the truck industry program, extending the period of the import adjustment offset program for automobile manufacturers through April 2030. Automobile producers can offset a portion of tariffs on parts, equal to 3.75% of the Manufacturer’s Suggested Retail Price of vehicles they assemble in the U.S. This percentage reflects the duty that would be owed if a 25% tariff were applied to 15% of the value of a U.S.-assembled automobile.

Enforcement and Oversight

Importers who overstate U.S. content or otherwise misrepresent information will face the full 25% duty on the total value of their imports and potential suspension of U.S.-content relief for future entries. In addition, they may face the risk of civil or criminal enforcement. The Secretary of Commerce is authorized to expand the scope of covered parts if imports of additional components are found to threaten national security. CBP will administer tariff collection, offsets, and enforcement.

Relation to Other Section 232 Actions

The Proclamation complements and modifies aspects of [Proclamation 10908](#), which covered passenger vehicles and auto parts, to align procedures for content certification and offset eligibility. It also authorizes limited reductions of existing Section 232 tariffs “by up to half” of the applicable rate for steel and aluminum producers that operate production facilities in Canada or Mexico and supply U.S. automobile or MHDV manufacturers. Such adjustments shall be limited to quantities of aluminum or steel equal to newly committed U.S. production capacity, as determined by the Secretary of Commerce. Rate adjustments shall also be limited to imports of aluminum and steel that qualify for preferential tariff treatment under the USMCA and that were smelted and cast or melted and poured in Canada or Mexico.

Key Takeaways for Industry

- Significant expansion of Section 232 coverage: extends national-security tariffs to commercial trucks, buses, and related components for the first time.
- No drawback relief: traditional re-export and substitution drawback strategies remain unavailable.
- Strict documentation requirements: accurate origin, value, and content records are critical to qualify for partial relief or offsets.
- Potential supply-chain disruption: companies reliant on foreign-made trucks, buses, or key parts may consider localizing production or reevaluating sourcing.

Conclusion

The Proclamation represents a major new chapter in the use of Section 232 authorities to safeguard the U.S. industrial base. By combining high tariffs, strict compliance requirements, and incentives for U.S. production, the Administration aims to rebuild domestic manufacturing capacity for medium- and heavy-duty transportation equipment and critical components. Importers, manufacturers, and fleet operators should immediately assess their exposure, review USMCA certifications, and prepare compliance procedures in advance of the November 1 effective date.

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