



# THE EXPANDING LANDSCAPE OF SECTION 232 FOR SEMICONDUCTORS AND BEYOND



# The Expanding Landscape of Section 232 for Semiconductors and Beyond- Our Speakers:



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## OUR DISCUSSION:

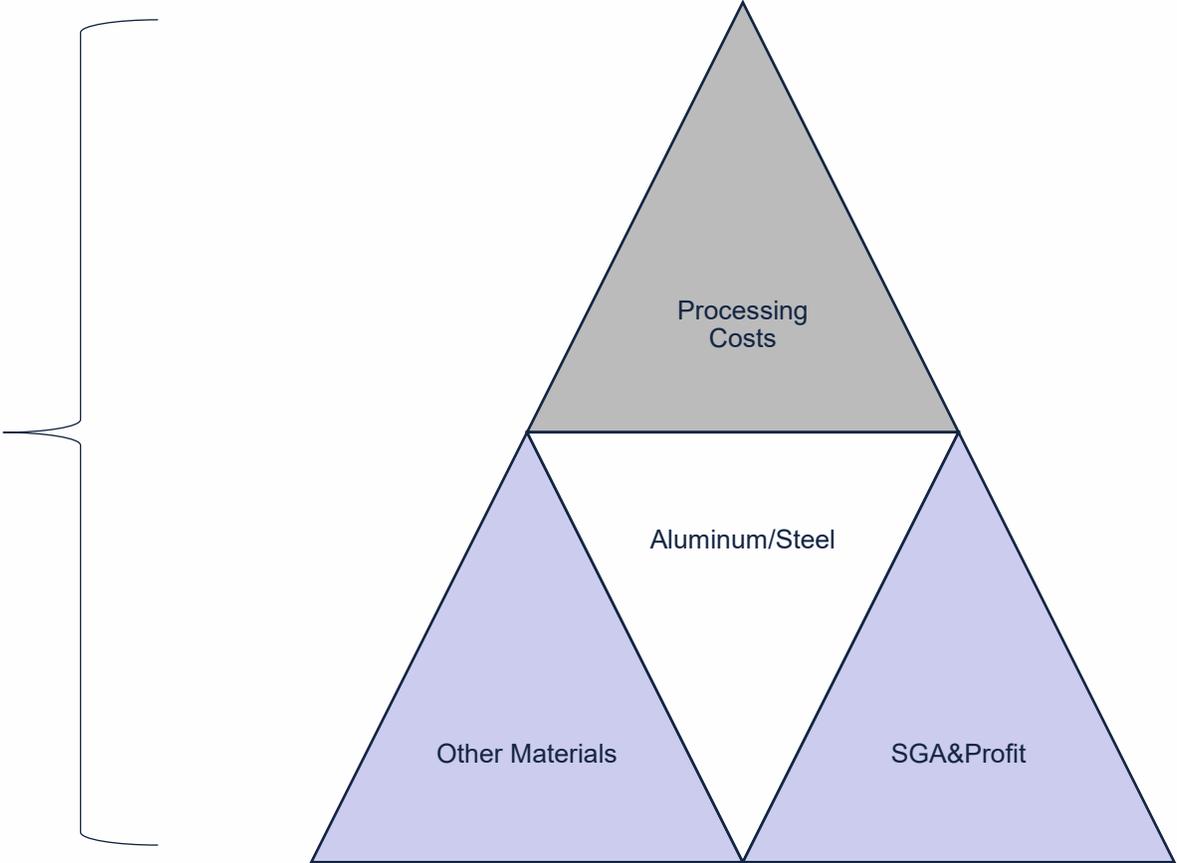
- Supply-chain approaches to help manage Section 232 exposure while staying compliant
- An overview of Section 232 and how steel and aluminum duties are affecting semiconductor and microchip supply chains
- How semiconductor equipment and components are evaluated for tariff coverage and classification
- Country-specific rules, exemptions, and evolving exclusion policies to watch by origin
- Enforcement trends and practical entry considerations for semiconductor equipment and materials
- A look ahead at the CHIPS Act and export controls shaping the industry



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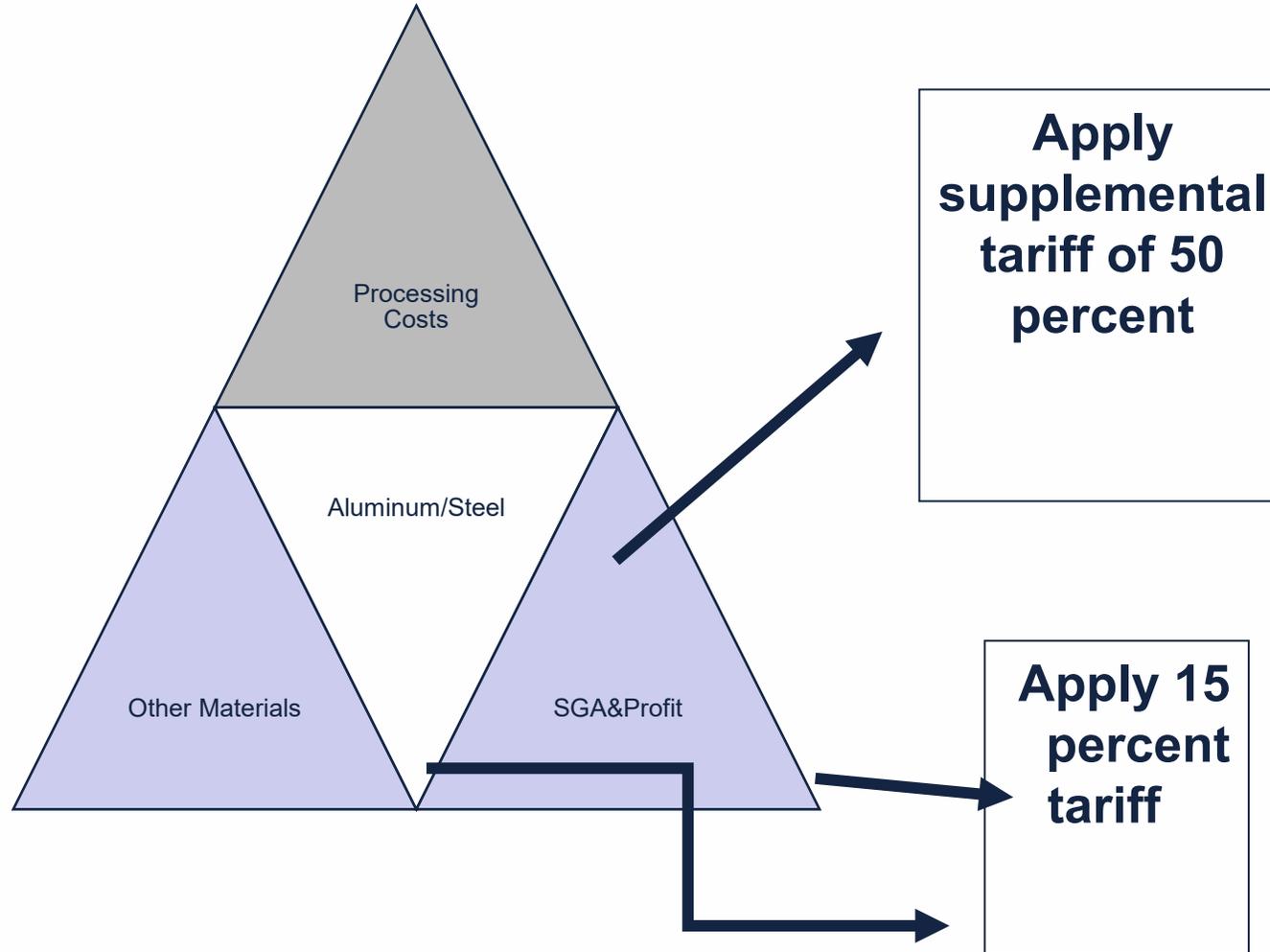
# Application of Derivative Steel Tariffs

Normal  
Duty  
System



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# Application of Derivative Steel Tariffs



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# Evaluation of Application of 232 Tariff



## Executive Order

For any derivative steel article identified in Annex I that is not in Chapter 73 of the HTSUS, the additional ad valorem duty shall apply only to the steel content of the derivative steel article.

## CBP FAQ

The value of the steel/aluminum content is the total price paid for that content... by the buyer to, the seller of the steel/aluminum content. Normally, this would be based on the invoice paid by the buyer of the steel/aluminum content...

## CBP Base Metals Center 12/03/25

The current position is this represents what the *importer* paid for the steel/aluminum content of the *finished* article and is the entered value of the imported article minus the cost of the non-steel/aluminum part/component of the finished article. Costs for manufacturing, labor, coating, etc., are not subtracted.



# INITIAL 2018 STEEL ARTICLES DEFINITION

The 2018 proclamation defined "steel articles" as the following HTS 6-digit codes:

- 7206.10 through 7216.50
- 7216.99 through 7301.10
- 7302.10, 7302.40 through 7302.90
- 7304.10 through 7306.90



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## INITIAL 2018 STEEL ARTICLES DEFINITION

In English....

- Semi-finished steel (ingots, billets)
- Flat rolled steel
- Pipes and tubes
- Long products (bars and rods)

....commodity steel



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## Challenges to Application of 232 Tariffs

### Express Fasteners v. United States (CIT # 26-00853)

- Challenging "Informal" Guidance: Did not follow required "notice and comment" rulemaking procedures.
- Contested Valuation Method: CBP's new policy improperly assesses 50% tariffs on the full value of articles (including fabrication, labor, and profit) rather than just the "steel content" specified in the original presidential proclamation.
- Alleged Statutory Violations: Violates federal law by creating an arbitrary system that appraises goods at the higher of two alternative values.
- Paperwork Reduction Act Claim: CBP's requirement for importers to declare non-steel content constitutes an illegal collection of information.



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## Ongoing Market Questions about Derivative Values

There are two competing clarifications that the trade needs resolution on:

- Guidance is being provided by HQ and their interpretation is 232 duties are on the finished value of an article, not raw inputs.
- 100% steel articles subject to 232 derivative cannot have labor, finishing, coating, overhead, etc deducted out.
- Derivatives articles can only have non-steel articles deducted from the value.
  
- CSMS and FAQ are vague and do not add clarity. Guidance issued by Base Metals CEE (ex: David Stepp's email from Nov 2025) are intended to clarify for the trade
- All decisions are promulgated by HQ and Customs valuation laws



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## Compliance Risks

- “documentation sufficient to support the importer’s claimed steel/aluminum content value”
- Entry versus final values
  - PSC
  - Reconciliation
- A market index value is generally considered an "arbitrary or fictitious value" which is specifically prohibited by the U.S. valuation statute (19 U.S.C. § 1401a(f)(2)).



## IEEPA Litigation



No.

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**In the Supreme Court of the United States**

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DONALD J. TRUMP, PRESIDENT OF THE UNITED STATES,  
ET AL., PETITIONERS

*v.*

V.O.S. SELECTIONS, INC., ET AL.

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*ON PETITION FOR A WRIT OF CERTIORARI  
TO THE UNITED STATES COURT OF APPEALS  
FOR THE FEDERAL CIRCUIT*

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PETITION FOR A WRIT OF CERTIORARI

- Approaching \$200 billion in potential refunds
- 100,000 individual importers
- 1,800 complaints filed with the Court of International Trade



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# U.S. Constitution, Article 1

## Section 8

- Clause 1: The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States;
- Clause 3: To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes;



# What else falls with the IEEPA tariffs

## Supreme Court Tariffs

China Fentanyl

Mexico/Canada

Reciprocal

## Other IEEPA Tariffs

Brazil Uplift

India Uplift

De Minimis

De Minimis

## IEEPA Trade Actions

Trade Agreements

United Kingdom  
European Union  
Japan  
South Korea  
Others Pending

Investment commitments



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## Why are refunds at risk?

### ➤ Liquidation may cause termination of refund rights

- “In Zenith, the Court of Appeals held that liquidation of entries moots the action with respect to those entries and constitutes irreparable harm. See, Zenith, 710 F.2d at 810. ... Thus, although an importer may have more than one chance to challenge 301 duties ... it may lose its right to judicial review on any entry that is liquidated. Here, the danger is not that judicial review will be unavailable because a claim has already been litigated but that judicial review will be unavailable because it may never be litigated with respect to an entry that has been liquidated.” See, Re Section 301 Cases, No. 21-00052 (Ct. Int'l Trade 2021).



# Steps to Protect Potential IEEPA Duty Refunds

## ➤ ~~File Request with CBP to Extend Liquidation of Entries~~

- ~~Exhaustion of administrative remedies~~
- ~~We expect that CBP will deny or ignore such requests-Requested and denied.~~

## ➤ ~~File Administrative Protests with CBP (AGS vs. CBP, Court of International Trade, Dec. 15, 2025)~~

## ➤ File Complaint in the Court of International Trade (“CIT”)

- Consolidate with existing plaintiff group
- Follow up with Motion from Preliminary Injunction to stop CBP from liquidating entries
- Negotiations with DOJ regarding stipulation of refunds in place of injunction (negotiations pending)

## ➤ File Administrative Procedures Act (“APA”) Case in Federal District Court

- If the Supreme Court holds that the CIT lacks jurisdiction, and CBP finds that refunds cannot be issued
- Transfer complaint and injunction to federal district court. APA claim.



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## What Replaces IEEPA?

- **Section 122 of the Trade Act of 1974:** It allows short-term tariffs of up to 15 percent for no more than 150 days.
- **Section 338 of the Trade Expansion Act:** A rarely used law that's been on the books for more than a century. It allows the President to impose tariffs of up to 50 percent if he can explain how a country is engaging in “unreasonable” or “discriminatory” actions that hurt U.S. commerce.
- 232 expansion
- 301 expansion
- Congress



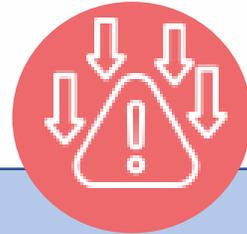
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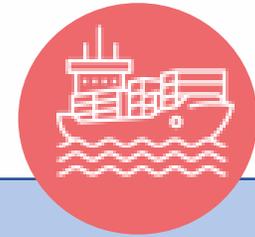
## The Evolving Role of Customs Brokers

Moving beyond basic entry filing to helping importers navigate complex trade measures, Section 232 duties on steel and aluminum have increased the need for expert guidance, Businesses rely on brokers to interpret shifting tariff rules and exemptions



## Reducing Risk Through Compliance Expertise

Getting Section 232 duties right the first time, Avoiding penalties, delays, and rework, Keeping documentation in order for exclusions and refunds



## Driving Cost Savings and Improving Supply Chain Efficiency

Identifying ways to reduce or eliminate Section 232 duties, Looking back at past entries for recovery opportunities, Preparing filings early to prevent clearance delays, Working with suppliers to ensure accurate product and origin data.



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# THE EXPANDING LANDSCAPE OF SECTION 232 FOR SEMICONDUCTORS AND BEYOND



## Leveraging Technology and Data

Using automated tools to identify products subject to Section 232 duties, providing visibility into duty exposure across steel and aluminum categories, integrating with client systems to support accurate classification and duty calculation, and using data to better understand landed cost impacts.

## Enhancing Customer Experience

Offering clear, practical explanations of how Section 232 duties affect pricing and sourcing decisions, providing timely updates as exclusions are approved or regulations change, tailoring support for industries most impacted by steel and aluminum tariffs, and acting as a trusted advisor rather than a transactional service provider.

## Supporting Business Growth

Helping clients evaluate new suppliers or markets with Section 232 duties in mind, advising on sourcing and product strategies to reduce tariff exposure, sharing trade insights that support long-term planning, and enabling faster time-to-market by building compliance into the process from the start.



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## Value-Added Services

- Conducting duty impact assessments for steel and aluminum imports
- Managing exclusion requests and tracking their status
- Performing post-entry reviews to identify refund opportunities
- Offering training sessions on Section 232 requirements

## Differentiation in the Market

- Demonstrating deep expertise in Section 232 regulations and exclusions
- Providing strong analytical tools to help clients understand duty exposure
- Offering responsive support for high-risk, high-value steel and aluminum shipments
- Showing a proven ability to reduce costs and mitigate risk through strategic guidance



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**TALK WITH US ABOUT YOUR CUSTOMS AND LOGISTICS NEEDS**

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