

Client Alert Update:

U.S.–Canada Tariff Escalation: Summary and Sources

August 26, 2026

Effective August 22, 2026, the United States imposed an additional 50% tariff on approximately \$27.6 billion of Canadian goods under Section 338 of the Tariff Act of 1930 as listed in the “**U.S. Proclamations**” below. Effective September 8, 2026, Canada will impose matching counter-tariffs of 15%, 25%, and 50% on \$27.6 billion of U.S. imports — dollar for dollar, rate for rate. Below is a comparison of the current tariffs with links to the government authorities and updates.

	United States — Section 338 Tariffs	Canada — Counter-Tariffs
Legal Authority	Section 338, Tariff Act of 1930 (19 U.S.C. § 1338)	Order in Council (under <i>Customs Tariff Act</i>)
Tariff Rate for Covered Goods	Covered Goods: 50% additional ad valorem on products of Canada with a Harmonized Tariff Schedule (“HTS”) Number listed in the “U.S. Proclamations” (see source below)	Covered Goods: 15%, 25%, and 50% on products “originating from the U.S.” as identified in the “ Canadian List ” (see Marking Regulation below)
Value of Goods Covered	Approx. USD \$20 billion (on products of Canada imported into the United States)	~CAD \$27.6 billion on products “originating from the U.S.” imported into Canada
Effective Date	August 22, 2026, 12:01 a.m. ET	September 8, 2026, 12:01 a.m. ET
Sectors Targeted	Dairy , alcoholic beverages , motor vehicles , cement, furniture, cosmetics, textiles, apparel, sporting goods, and more. ¹	Steel , dairy , appliances , agricultural equipment , pulp and paper , electronics
Key Exclusions	Energy, potash, fish, critical minerals; products already subject to Section 232 tariffs (steel, aluminum, copper, autos/auto parts) and any HTS numbers NOT listed in the Proclamations	Any products “originating from the U.S.” that (i) are NOT on the Canadian List (ii) are in transit to Canada on September 8
USMCA/CUSMA Treatment	USMCA does not provide relief: tariffs apply regardless of preferential qualification	CUSMA does not provide relief for products “originating from the U.S.” that are on the Canadian List.
Support for Affected Businesses	None announced	CAD \$7.5 billion support package

¹ Proclamation 11048 entitled “Motor Vehicles” covers a broad list of other goods not related to automotive industry

KEY RESOURCES

United States: the “U.S. Proclamations”

[White House Fact Sheet: President Donald J. Trump Imposes Additional Tariffs on Canada \(July 20, 2026\)](#)

[Proclamation 11046 — Alcoholic Beverages \(Federal Register, July 23, 2026\)](#)

[Proclamation 11047 — Dairy \(Federal Register, July 23, 2026\)](#)

[Proclamation 11048 — Motor Vehicles \(Federal Register, July 23, 2026\)](#)

Canada

[List of products from the United States subject to counter-tariffs effective September 8, 2026 \(the “**Canadian List**”\)](#)

[Marking Goods \(CUSMA Countries\) Regulations \(the “**Marking Regulation**”\)](#)

[Canada Announces Targeted Countermeasures and Support for Workers and Businesses \(August 25, 2026\)](#)

[Support for Canadian Workers and Businesses Affected by U.S. Tariffs \(\\$7.5 Billion Package\)](#)

[CBSA Customs Notices](#)

[Determination of Country of Origin for the Purpose of Marking Goods \(CUSMA Countries\) Regulations](#)

We will continue to monitor the U.S.–Canada Tariff developments and provide updates as they become available. This is a high-level overview only and does not provide targeted information for specific imports. If you have questions about the goods subject to the new tariffs, timelines, or your specific case, please do not hesitate to contact Dentons Cohen & Grigsby's International Trade Team.

* * *

This client alert is for informational purposes only and does not constitute legal advice. The information contained herein should not be acted upon without specific legal advice based on particular situations. Receipt of this alert does not create an attorney-client relationship.

Key Contacts



V. Susanne Cook

Shareholder

D +1 412 297 4741

susanne.cook@dentons.com



Sasha V. Phillips

Counsel

D +1 412 297 4788

sasha.phillips@dentons.com



Bruce H. Chiu

Shareholder

D +1 412 297 4933

bruce.chiu@dentons.com



Nick Zosky

Customs Specialist

D +1 412 297 4742

nick.zosky@dentons.com



Anna Maria Sicenica

Associate

D +1 412 297 4725

annamaria.sicenica@dentons.com



Denzel Gregg

Law Clerk

D +1 412 297 4649

denzel.gregg@dentons.com