

## Trump Grants Mexico 90-Day Tariff Reprieve as Deadline Nears

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President Donald Trump has granted Mexico a 90-day extension on planned tariff increases, delaying a 30 percent duty that had been scheduled to take effect on August 1. The decision follows a phone conversation between Trump and Mexican President Claudia Sheinbaum and allows both sides additional time to negotiate border enforcement and trade terms.

The reprieve comes amid ongoing legal battles over Trump's use of emergency powers to impose tariffs. A U.S. trade court recently ruled that applying such tariffs under the International Emergency Economic Powers Act exceeds presidential authority. However, the ruling has been stayed on appeal, meaning existing tariffs remain in place during the legal review process.

At present, a 25 percent tariff continues to apply to Mexican imports not covered by the United States Mexico Canada Agreement (USMCA). Products compliant with USMCA remain exempt, as do tariffs imposed separately under national security provisions, including those on steel, aluminum, and automobiles.

The White House maintains that these tariffs are justified as part of an effort to combat fentanyl trafficking into the United States. The administration has accused both Mexico and Canada of failing to adequately address the crisis and has used that claim to defend the ongoing trade measures.

Mexican officials have expressed willingness to revisit the issue through diplomacy. Economy Minister Marcelo Ebrard emphasized that the majority of Mexico's exports already meet USMCA standards and urged Washington to respect international trade agreements and the constitutional limits of executive authority.

Business leaders and legal analysts are closely watching the case, which could have far reaching implications for U.S. trade policy. If the courts ultimately rule against the administration, it could limit the president's ability to unilaterally impose tariffs in the future.

For now, the 90 day delay offers temporary relief to industries on both sides of the border that had been bracing for another round of price increases and supply chain disruption. However, the underlying tensions remain unresolved.

As the extended deadline approaches, stakeholders across the public and private sectors remain uncertain about the direction of U.S. Mexico trade relations. The next steps will likely be shaped as much by court decisions as by diplomatic progress.