NAMM® WEBINAR SERIES

Trade Working Group

Update on Tariffs

July 24, 2026

10 am PT / 1 pm ET

NAMM Antitrust Statement (abbreviated)

This meeting is being conducted consistent with NAMM’s Antitrust Policy and in accordance with NAMM’s obligations under its settlement with the FTC. Discussion of competitively sensitive information is strictly off-limits, including the retail price of musical products, price terms, margins, profits, and pricing policies, including but not limited to MAP, RPM, and any other terms or conditions of sale.

Discussions of Tariffs and Other Trade-Related Topics

General discussions of legal and news developments related to tariffs and trade policy, as well as their potential impact on the music industry, are permitted. However, please refrain from discussing or suggesting specific business decisions or conduct such as increasing prices.

Guest Experts

Chris Cushing, Nelson Mullins Government Relations Group Leader, Managing Principal, Washington, D.C.

Cullen Hendrix, Peterson Institute of International Economics

Dan Anthony, President of Trade Partnership Worldwide / We Pay the Tariffs

Jonthan Gold, NRF Vice President, Supply Chain & Customs Policy

Topics

NAMM’s Recent Actions

Section 301 forced-labor tariffs on 60 economies, effective July 24, 2026

Canada Section 338 tariffs, effective August 19, 2026

Brazil's overlapping Section 301 actions

What this means for music products members

U.S.-China Board of Trade

Docket No. USTR-2026-0430

NAMM expressed strong support for the establishment and stated objectives of the U.S.–China Board of Trade and urged USTR to place musical instruments, accessories and related products on the initial list of non-sensitive products eligible for reciprocal tariff modification. The filing asks USTR to eliminate or substantially reduce the Section 301 additional duties on products classified under HTS Chapter 92 — duties that currently range from 7.5-25% depending on the applicable tariff list — and to pursue reciprocal reduction of Chinese retaliatory tariffs on American-made professional instruments.

Section 301 Forced Labor Exemptions

Docket No. USTR-2026-0265

NAMM affirmed its support for the Administration’s goal of eliminating forced labor from global supply chains, while urging USTR to add HTS Chapter 92 products — musical instruments, parts and accessories — to the exemptions in Annex A of the proposed action. The filing explains that additional duties on musical instruments would not contribute substantially to eliminating the practices under investigation, and would instead impose further costs on American students, schools, retailers and manufacturers already bearing a severe and compounding tariff burden. NAMM also requested that raw material inputs used in American instrument manufacturing be included within the exemption.

Timeline of Section 301 Forced-Labor Investigations

How we got here

- February 2026: Supreme Court strikes down President Trump's IEEPA-based tariffs
- Section 122 10% global tariff imposed as a stopgap, subject to a 150-day legal limit
- March 12, 2026: USTR initiates Section 301 forced-labor investigations into 60 economies
- April 28–29, 2026 and July 7–9, 2026: two rounds of public hearings; over 1,600 written comments received
- July 23, 2026: USTR issues final action; effective 12:01 a.m. ET July 24, 2026, replacing the expiring Section 122 tariff

New Tariff Rates by Country

- **10% rate:** Argentina, Bangladesh, Cambodia, Canada, Ecuador, El Salvador, Guatemala, Honduras, India, Indonesia, Jordan, Malaysia, Mexico, Pakistan, Sri Lanka, Trinidad and Tobago, United Kingdom
- **Variable rate net of MFN duty**: European Union, Taiwan (10% net of MFN); Japan, South Korea, Switzerland (12.5% net of MFN)
- **12.5% rate**: all other investigated economies — Algeria, Angola, Australia, Bahamas, Bahrain, **Brazil**, Chile, China, Colombia, Costa Rica, Dominican Republic, Egypt, Guyana, Hong Kong, Iraq, Israel, Kazakhstan, Kuwait, Libya, Morocco, New Zealand, Nicaragua, Nigeria, Norway, Oman, Peru, Philippines, Qatar, Russia, Saudi Arabia, Singapore, South Africa, Thailand, Türkiye, UAE, Uruguay, Venezuela, Vietnam
- **Savings clause**: goods loaded and in transit before 7/24, entered for consumption before 7/28, are not subject to the new duty

Canada

Section 338 of the Tariff Act of 1930

- First-ever use of Section 338 of the Tariff Act of 1930: *Unlike Section 301 (which focuses on unfair trade practices) or Section 232 (national security), Section 338 specifically penalizes foreign nations that* ***discriminate against or give unequal treatment to U.S. commerce*** *compared to other trading partners.*
- 50% tariff on select Canadian goods: autos, alcohol, dairy, and other listed items (e.g., wine, hockey sticks, cement)
- Effective August 19, 2026 — a full month after the July 24 forced-labor action; distinct legal basis and timeline, do not conflate the two

Brazil

Two Overlapping Actions

Action 1 — already in effect: 25% Section 301 tariff effective July 22, 2026, from a separate investigation covering digital trade/electronic payments, preferential tariffs, anti-corruption enforcement, IP protection, ethanol market access, and illegal deforestation.

Action 2 — new, effective July 24: 12.5% Section 301 forced-labor tariff, placing Brazil in the standard 12.5% group

What This Means for Members

Keep Track

- ✓ Confirm country of origin and 10-digit HTS code for all imported product lines
- ✓ Check whether each product falls within Annex I or Annex II
- ✓ Note stacking rules: the forced-labor Section 301 tariff does not stack with Section 232 tariffs
- ✓ Members sourcing from the EU, UK, Switzerland, or Taiwan should watch for Agreement on Reciprocal Trade (ART)-linked exemption incentives
- ✓ Consult a customs broker or trade counsel for product-specific exposure
- ✓ Make some noise – talk to your representatives and tell your impact stories

Resources

NAMM Policy Page | namm.org/policy

National Retail Federation | nrf.com

We Pay the Tariffs| wepaythetariffs.com

The Peterson Institute for International Economics | piie.com

Contact Information

Claire Kreger-Boaz | ClaireK@namm.org