

Cross-Border Trade Implications of the U.S. Supreme Court's IEEPA Tariff Decision: What Canadian Companies Should Know

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By Wayne Egan

Lawyers at the New York offices of Withers recently provided a succinct analysis of the U.S. Supreme Court's decision in *Learning Resources, Inc. v. Trump* in [an article published on March 31, 2026](#). Their assessment highlights the Court's conclusion that the International Emergency Economic Powers Act ("IEEPA") does not authorize the Executive Branch to impose tariffs, a finding that immediately rendered billions of dollars in duties collected through the IEEPA unlawful.

U.S. President Donald Trump had invoked the nearly 50-year-old IEEPA throughout 2025 to impose targeted tariffs on countries including Canada, Mexico and China, as well as a suite of sweeping tariffs that applied to other trading partners globally. The article underscores that this development has direct implications for businesses engaged in cross-border trade, with significant considerations for Canadian companies that may have absorbed tariff-related costs for goods that were not eligible for preferential tariff treatment under the Canada-United States-Mexico Agreement (commonly referred to in Canada as CUSMA).

The authors note that the Court of International Trade ("CIT") has directed U.S. Customs and Border Protection to issue refunds for all unliquidated entries subject to IEEPA duties, and that a new automated system is being developed to process the submission and reimbursement of any claims. There are, however, uncertainties regarding the refund process, and the U.S. government has indicated that delays are likely due to its existing technology and procedures not being equipped to refund payments of this scale or volume.

There is also the possibility that the U.S. government will appeal the CIT's order, and clarification has not yet been given as to whether finalized liquidated entries, particularly those outside of the 180-day protest period, will qualify for reimbursement. These uncertainties create practical challenges for Canadian businesses, manufacturers and distributors who export to the United States and seek to recover amounts paid. Currently, there is no timeline as to when these issues will be resolved.

If you have initial questions about this process or how it may apply to your circumstances as a Canadian entity that paid these tariffs in the US, please reach out to your contact at WeirFoulds and we will put you in touch with Withers.

The information and comments herein are for the general information of the reader and are not intended as advice or opinion to be relied upon in relation to any particular circumstances. For particular application of the law to specific situations, the reader should seek professional advice.

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