

Tariff Mitigation Strategies



This matrix is intended solely for informational purposes. The actual impact and required level of effort may differ based on each company's unique circumstances and operational context.

Low Effort, High Impact

1. Drawback

Refund mechanism for certain re-exports – can generally go back five years, though the effort depends on transaction complexity.

2. Value Reduction

May require coordination with vendors and other supply chain partners, but compliant valuation reduction techniques are common to reduce normal and punitive tariff exposure.

3. TP / Unbundling

Adjusting transfer price and/or stripping out non-dutiable costs may reduce customs value – should be coordinated with tax for both customs and tax implications.

4. TIB / Ch. 98 Provisions

Enables partial duty reduction for certain temporary imports, U.S. goods returned, and other specific provisions with Ch. 98 of the tariff schedule.

5. Tariff Engineering

Modifying engineering, product design or other supply chain variables to achieve a lower-duty classification.



High Effort, High Impact

6. U.S. FTZs (Foreign Trade Zones)

Areas of land considered outside of U.S. customs territory that offer a wide variety of duty, tax, and supply chain benefits. Considered a CTPAT best practice by CBP.

7. Supply Chain Restructuring

Moving production may take years and requires navigating rules, logistics, workforce, and compliance in new jurisdictions.

8. Manufacturing Shifts

Relocating or restructuring production operations from one country to another to reduce or avoid tariffs, trade restrictions, or geopolitical risks.

9. Advocacy Programs

Indirect or direct lobbying or filing of public comments (e.g., 301 exclusions) that can influence policy and build internal alignment.

10. First Sale

Value-reduction technique to declare customs value based on the first sale in a multi-tiered international supply chain. Requires coordination with overseas vendors and rigorous documentation.



High Effort, Low Impact

11. Partnership Programs (CTPAT, AEO)
Voluntary programs that offer some supply chain and partnership-related benefits but can often be time-consuming to implement and maintain.

12. Analysis Paralysis
Wasting time spinning wheels and reevaluating exposure scenarios instead of implementing known and actionable strategies.



Low Effort, Low Impact

13. Trade Data Analytics

The baseline effort every company should do using free ACE or broker data to evaluate exposure and savings opportunities.

14. Global Risk Assessments

Fundamental exercise to assess if you have the people, processes, and tech to comply with evolving and complex trade rules.

15. Monitor Media Reports

Scrolling for predictions and insights isn't really a "strategy."

16. Contract Reviews

Baseline effort for companies to understand important contractual implications, like importer of record, duty liability, and change-in-law provisions.





Wondering Where to Focus?

We help businesses cut through the noise and prioritize what works.

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