LOGICSOURCE 2025 TARIFF IMPACT ANALYSIS: APRIL UPDATE

Produced by LogicSource Indirect Category Leaders and Center of Excellence
This report leverages insights from 180+ indirect category experts and $150B+ in pricing data to provide actionable strategies for optimizing procurement, mitigating risks, and addressing the impacts of tariffs and trade regulations.

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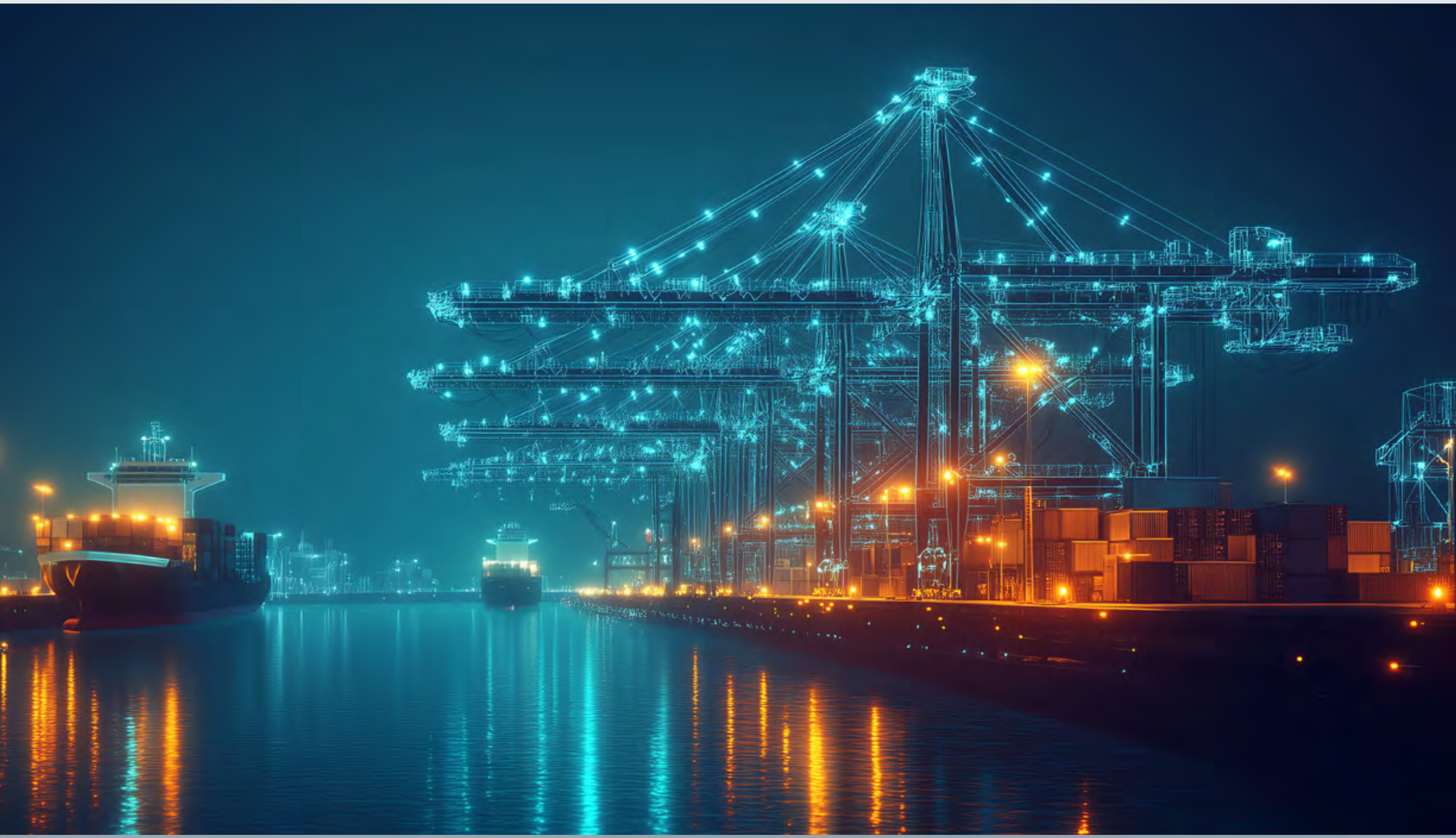
EXECUTIVE SUMMARY

Since the beginning of the year, the global trade landscape has experienced several notable shifts, driven by both newly enacted tariffs and a series of proposed trade actions still under review. As geopolitical tensions and economic policy tools continue to evolve, corporations must remain vigilant in tracking these developments and understanding their potential impact.

This updated tariff report offers a comprehensive view of the current U.S. tariff landscape, outlining existing measures and the most recently enacted actions. The most significant development is the introduction of a baseline 10% tariff on all imports, coupled with the imposition of elevated "reciprocal tariffs" — often well above 10% (which are now paused for 90 days) — targeted at a broad range of countries. We discuss how these tariffs will impact various industries and indirect spend categories.

This report serves as a critical update to **LogicSource's original 2025 Tariff Impact Analysis**, incorporating significant policy developments and announcements from the Trump administration that reinforce and modify our initial projections. It equips stakeholders with the critical insights needed to refine their sourcing strategies, pricing models, and risk mitigation plans in response to these evolving trade policies.



SUMMARY OF TARIFF DEVELOPMENT

Q1 2025 TARIFF ANNOUNCEMENTS

The following tariffs are in effect:

CHINA
Raised to 145% on April 10, 2025 (originally 10% on February 4, 2025)

CANADA & MEXICO
25% on March 4, 2025, with 10% applied to Canadian energy
- USCMA items are exempted for the time being

STEEL & ALUMINUM
25% on March 12, 2025

Q2 2025 TARIFF ANNOUNCEMENTS

The following tariffs were implemented in April, 2025:

1 **COUNTRIES BUYING VENEZUELA OIL**

25% tariff applied to countries who buy Venezuela oil starting on April 2, 2025. The Tariff likely impacts countries such as China, India, Spain, Cuba, Brazil, Turkey, Italy, Russia, Singapore and Vietnam. The exact country list has not been shared.

+ It's unclear whether this tariff would compound other country or product-specific tariffs.

2 **AUTOMOBILES/AUTO PARTS**

25% tariff on imported passenger vehicles, light trucks starting on April 2, 2025 and 25% auto parts tariff taking effect on May 3, 2025. Canada/Mexico imports falling under USMCA may be exempt.

3 **REMOVAL OF DE MINIMIS EXCEPTION**

Effective May 2, 2025, the de minimis exception for China and Hong Kong has been removed. Imported goods valued under $800 — previously exempt from duties and expedited through customs — will now be subject to the full range of tariffs and standard import procedures.

There are indications that the exemption may also be eliminated for imports from other countries subject to U.S. tariffs once adequate systems are in place to process and collect duties on these shipments.

4 RECIPROCAL TARIFFS

On April 2, 2025, the current Administration announced a baseline 10% tariff on all imported goods, effective April 5, 2025. Additionally, higher "reciprocal" tariffs were imposed on specific countries deemed to have significant trade barriers or unfair practices.

As of April 9, 2025 — the originally planned effective date — the Trump Administration has delayed the implementation of the reciprocal tariffs for 90 days for all countries except China. However, the base 10% tariff was still enacted on April 9 for the countries listed in the chart below. Any tariff rate above 10% is currently on hold during this 90-day pause.

Country	Tariffs Charged to the USA Including Currency Manipulation and Trade Barriers	U.S.A Discounted Reciprocal Tariffs
Lesotho	99%	50%
Saint Pierre and Miquelon	99%	50%
Cambodia	97%	49%
Laos	95%	48%
Madagascar	93%	47%
Vietnam	90%	46%
Myanmar (Burma)	88%	44%
Sri Lanka	88%	44%
Falkland Islands	82%	41%
Syria	81%	41%
Mauritius	80%	40%
Iraq	78%	39%
Guyana	76%	38%
Bangladesh	74%	37%
Botswana	74%	37%

Liechtenstein	73%	37%
Réunion	73%	37%
Serbia	74%	37%
Thailand	72%	36%
Bosnia and Herzegovina	70%	35%
China	67%	145%
North Macedonia	65%	33%
Fiji	63%	32%
Indonesia	64%	32%
Taiwan	64%	32%
Angola	63%	32%
Libya	61%	31%
Moldova	61%	31%
Switzerland	61%	31%
Algeria	59%	30%
Nauru	59%	30%
South Africa	60%	30%
Norfolk Island	58%	29%
Pakistan	58%	29%
Tunisia	55%	28%
Kazakhstan	54%	27%
India	52%	26%

South Korea	50%	25%
Brunei	47%	24%
Japan	46%	24%
Malaysia	47%	24%
Vanuatu	44%	22%
Côte d'Ivoire	41%	21%
Namibia	42%	21%
European Union	39%	20%
Jordan	40%	20%
Nicaragua	36%	18%
Zimbabwe	35%	18%
Israel	33%	17%
Malawi	34%	17%
Philippines	34%	17%
Zambia	33%	17%
Mozambique	31%	16%
Norway	30%	15%
Venezuela	29%	15%
Nigeria	27%	14%
Chad	26%	13%
Equatorial Guinea	25%	13%
Bolivia	20%	10%

Cameroon	22%	11%
Costa Rica	17%	10%
Democratic Republic of the Congo	22%	11%
Ecuador	12%	10%
Ghana	17%	10%
New Zealand	20%	10%
Papua New Guinea	15%	10%
Saint Helena	15%	10%
Trinidad and Tobago	12%	10%
Uganda	20%	10%
Afghanistan	49%	10%
Albania	10%	10%
Andorra	10%	10%
Anguilla	10%	10%
Antigua and Barbuda	10%	10%
Argentina	10%	10%
Armenia	10%	10%
Aruba	10%	10%
Australia	10%	10%
Azerbaijan	10%	10%
Bahamas	10%	10%
Bahrain	10%	10%

Barbados	10%	10%
Belarus	10%	10%
Belize	10%	10%
Benin	10%	10%
Bermuda	10%	10%
Bhutan	10%	10%
Brazil	10%	10%
British Indian Ocean Territory	10%	10%
British Virgin Islands	10%	10%
Burundi	10%	10%
Cabo Verde	10%	10%
Cayman Islands	10%	10%
Central African Republic	10%	10%
Chile	10%	10%
Christmas Island	10%	10%
Cocos (Keeling) Islands	10%	10%
Colombia	10%	10%
Comoros	10%	10%
Cook Islands	10%	10%
Cuba	10%	10%
Curaçao	10%	10%
Djibouti	10%	10%

Dominica	10%	10%
Dominican Republic	10%	10%
Egypt	10%	10%
El Salvador	10%	10%
Eritrea	10%	10%
Eswatini (Swaziland)	10%	10%
Ethiopia	10%	10%
French Guiana	10%	10%
French Polynesia	10%	10%
Gabon	10%	10%
Gambia	10%	10%
Georgia	10%	10%
Gibraltar	10%	10%
Grenada	10%	10%
Guadeloupe	10%	10%
Guatemala	10%	10%
Guinea	10%	10%
Guinea-Bissau	10%	10%
Haiti	10%	10%
Heard and McDonald Islands	10%	10%
Honduras	10%	10%
Iceland	10%	10%

Iran	10%	10%
Jamaica	10%	10%
Kenya	10%	10%
Kiribati	10%	10%
Kosovo	10%	10%
Kuwait	10%	10%
Kyrgyzstan	10%	10%
Lebanon	10%	10%
Liberia	10%	10%
Maldives	10%	10%
Mali	10%	10%
Marshall Islands	10%	10%
Martinique	10%	10%
Mauritania	10%	10%
Mayotte	10%	10%
Micronesia	10%	10%
Monaco	10%	10%
Mongolia	10%	10%
Montenegro	10%	10%
Montserrat	10%	10%
Morocco	10%	10%
Nepal	10%	10%

Niger	10%	10%
Oman	10%	10%
Panama	10%	10%
Paraguay	10%	10%
Peru	10%	10%
Qatar	10%	10%
Republic of the Congo	10%	10%
Rwanda	10%	10%
Saint Kitts and Nevis	10%	10%
Saint Lucia	10%	10%
Saint Vincent and the Grenadines	10%	10%
Samoa	10%	10%
San Marino	10%	10%
São Tomé and Príncipe	10%	10%
Saudi Arabia	10%	10%
Senegal	10%	10%
Sierra Leone	10%	10%
Singapore	10%	10%
Sint Maarten	10%	10%
Solomon Islands	10%	10%
South Sudan	10%	10%
Sudan	10%	10%

Suriname	10%	10%
Svalbard and Jan Mayen	10%	10%
Tajikistan	10%	10%
Tanzania	10%	10%
Timor-Leste	10%	10%
Togo	10%	10%
Tokelau	10%	10%
Tonga	10%	10%
Turkey	10%	10%
Turkmenistan	10%	10%
Turks and Caicos Islands	10%	10%
Tuvalu	10%	10%
Ukraine	10%	10%
United Arab Emirates	10%	10%
United Kingdom	10%	10%
Uruguay	10%	10%
Uzbekistan	10%	10%
Yemen	10%	10%

Source: The U.S. Government

CHINA'S RETALIATORY TARIFFS

In response to U.S. President Donald Trump's recent imposition of an additional 34% tariff on Chinese imports (bringing the total to 54%), China announced it would levy a 34% tariff on all U.S. goods — on top of existing tariffs — effective April 10, 2025. Ahead of the official implementation date, China raised its tariff on U.S. goods to 84% on April 9, 2025, in response to the tariff increases announced by the Trump Administration.

This retaliatory measure is anticipated to significantly impact various U.S. industries, including aviation, semiconductors, and agriculture, making their products less competitive in the Chinese market. Notably, China is the third-largest importer of U.S. goods, with total shipments valued at approximately $143.5 billion in 2024 (down 2.9% from 2023), including key exports such as electronics, oil, gas, coal, and soybeans.

EXPECTED IMPACT TO NEWLY ANNOUNCED TARIFFS

The newly announced reciprocal tariffs by the Trump Administration are poised to have significant ramifications for U.S. corporations across various sectors. The anticipated impacts include:

Increased Operational Costs: Corporations reliant on imported materials and components will face higher input costs due to the baseline 10% tariff on all imports, with certain countries subjected to even higher rates. For instance, the tech industry, which depends heavily on overseas manufacturing, is expected to experience increased production expenses.

Supply Chain Disruptions: Companies with complex global supply chains may need to reevaluate and potentially restructure their operations to mitigate tariff impacts. This could involve seeking alternative suppliers or reshoring manufacturing processes, which entail significant time and investment.

Consumer Price Inflation: To offset increased costs, businesses may pass expenses onto consumers, leading to higher prices for goods and services. Economists warn that this could exacerbate inflationary pressures, affecting consumer purchasing power and potentially reducing demand.

SECTOR-SPECIFIC CHALLENGES

RETAIL

Retailers — particularly those sourcing apparel, electronics, furniture, and general merchandise from Asia — will see a significant uptick in landed costs. Mass merchants and specialty retailers that rely heavily on imports from countries like China, Vietnam, and Bangladesh may face margin compression or be forced to raise prices.

Discount retailers and fast-fashion brands are especially vulnerable, as their customer base is more price-sensitive. Additionally, retailers may need to re-negotiate supplier contracts or re-evaluate sourcing strategies to reduce exposure.

HEALTHCARE

Hospitals and health systems could face cost pressures on imported medical equipment, surgical tools, diagnostic devices, and pharmaceuticals. Many of these items originate from countries now facing steep reciprocal tariffs. Increased supply chain expenses could exacerbate financial stress, with hospital margins already under strain from labor costs and reimbursement pressures.

Non-profit systems and rural hospitals may be significantly impacted. Additionally, any disruption in supply continuity — particularly for essential items — could affect patient care delivery and procurement planning.

MANUFACTURING/CPG

Manufacturers and CPG companies that rely on imported raw materials, packaging, and components will face immediate cost pressures as reciprocal tariffs raise the price of inputs from key trading partners.

Countries like China, India, and EU member states — now subject to tariffs ranging from 10% to 145% — supply a wide range of essential materials, including plastic resins, aluminum, steel parts, food ingredients, and chemical additives. These cost increases will impact upstream production and downstream distribution, compressing margins and forcing brands to evaluate pricing strategies.

KEY CATEGORIES IMPACTED

While earlier editions of our **Tariff Report** addressed the effects of prior tariff actions (including those on Canada, Mexico, China, and Steel & Aluminum), this update focuses specifically on the categories most likely affected by the newly announced reciprocal tariffs.

APPAREL AND FOOTWEAR

Countries such as Vietnam, Cambodia, Bangladesh, and Sri Lanka, which are major suppliers of apparel and footwear to the U.S., are now subject to 10% base tariffs (which may increase to 46%, 49%, 37%, and 44% after the 90-day pause).

This is expected to disrupt the fashion industry's supply chain, leading to increased costs for brands and potentially higher prices for consumers. Companies heavily reliant on these regions may need to reevaluate their sourcing strategies.

AUTOMOBILES AND AUTO PARTS

A 25% tariff on imported vehicles and parts will impact the automotive sector. Countries like Japan (10% now, 24% after the 90-day pause) and South Korea (10% now, 25% after the 90-day pause), which are significant exporters of automobiles to the U.S., will be notably affected. This could lead to higher vehicle prices and increased costs for auto repairs.

FURNITURE, FIXTURES & EQUIPMENT (FF&E)

The U.S. sources a significant portion of commercial furniture, lighting, and interior fixtures from countries like Germany, Italy, and other parts of the EU, now facing a 10% reciprocal tariff (20% after the 90-day pause).

These items are critical in office build-outs, retail stores, and hospitality renovations. The tariffs are expected to increase project costs and timelines, pressuring budgets for capital improvements and refreshes. Companies may need to reconsider sourcing models or delay discretionary FF&E investments.

CONSTRUCTION MATERIALS & EQUIPMENT

Imports of construction-related materials such as steel (Canada, Mexico, Brazil, EU), cement, tools, and modular components will be impacted by new tariffs ranging from 10% to 25% depending on origin (with increases planned for EU countries after the 90-day pause).

This poses a cost risk for capital projects, including retail expansion, warehousing, and infrastructure upgrades. Contractors and internal project teams may experience budget overruns and be forced to re-evaluate vendor contracts or substitute materials.

TECHNOLOGY & IT HARDWARE

Countries like China (145% tariff) and Taiwan (10% now, 32% after the 90-day pause) supply a large share of IT hardware components, including laptops, servers, displays, and networking gear. Even U.S.-assembled devices often rely on parts imported from these regions.

These tariffs will increase procurement costs for corporate IT refreshes, infrastructure investments, and employee device provisioning. Organizations may delay upgrades or explore alternative brands and suppliers.

MEDICAL SUPPLIES

Essential medical consumables and supplies — such as gloves, masks, gauze, syringes, and tubing — are imported in bulk from countries including China, India, and Vietnam, many of which now face high tariffs (10% to 145%).

Hospitals, clinics, and distributors will face cost pressure in maintaining supply stockpiles, with rural and non-profit providers likely to be hardest hit.

MEDICAL DEVICES & EQUIPMENT

Diagnostic machines, surgical instruments, and imaging devices are often sourced from Germany, Japan, South Korea, and India, which are now subject to 10% tariffs (increasing between 24% and 31% after the 90-day pause).

These devices are high-cost capital investments for health systems. The tariffs are expected to strain already tight hospital CapEx budgets and potentially slow the rollout of new clinical technologies.

ACTIVE PHARMACEUTICAL INGREDIENTS (API)

India and China are dominant global suppliers of APIs, both of which now face steep tariffs (10% and 145%, respectively - pharmaceuticals are currently not subject to tariffs; however, the Trump Administration has signaled that this exemption may be eliminated in the near future). These ingredients are the building blocks for many generic drugs and over-the-counter medications.

The tariffs (when pharmaceutical exemption is lifted) may raise manufacturing costs for U.S. pharmaceutical companies and drive up pharmacy costs, creating downstream effects for insurers, employer-sponsored plans, and health systems.

BPO SERVICES (BUSINESS PROCESS OUTSOURCING)

India, subject to a 10% tariff, is a major hub for outsourced business functions like IT helpdesk, HR, and finance.

While services aren't always tariffed like physical goods, the broader economic pressure and potential for digital service restrictions could drive rate increases or vendor renegotiations. Companies relying on Indian BPO firms may see cost volatility and capacity constraints, especially in administrative back-office functions.

OCEAN FREIGHT

The implementation of broad reciprocal tariffs is expected to significantly disrupt global shipping patterns, placing additional strain on ocean freight. As companies reevaluate sourcing strategies to avoid high-tariff countries, shifts in trade lanes may create imbalances in container availability and port congestion.

Demand volatility — caused by last-minute supplier changes and inventory pull-forwards — could drive up spot rates, particularly from non-tariffed regions like Mexico and Central America. Additionally, increased customs inspections and documentation complexity may cause delays and higher demurrage and detention costs.

+ LogicSource has already seen Ocean Freight suppliers attempting to raise rates 15% - 25%, though through competitive bidding and effective negotiation strategies, we've been able to minimize those increases to <5%.

INTERNATIONAL RESPONSES

These tariff announcements have introduced volatility in global markets, with concerns about potential trade wars and economic slowdowns. Economists warn that such broad tariffs could backfire, leading to increased costs for consumers and businesses and potentially triggering retaliatory measures from affected countries:

CHINA, JAPAN, AND SOUTH KOREA

These countries have engaged in discussions to coordinate their response to the U.S. tariffs. While Chinese state media reported an agreement to jointly address the tariffs, officials from Japan and South Korea have described such reports as exaggerated, indicating no formal agreement was reached.

Since that notice from China, however, the Chinese government has moved forward unilaterally and officially implemented an additional 84% tariff on U.S. goods, escalating trade tensions further.

EUROPEAN UNION

The EU has expressed its readiness to retaliate against the U.S. tariffs, emphasizing its significant leverage in trade negotiations.

FINANCIAL MARKET VOLATILITY

The announcement has already led to stock market declines, reflecting investor concerns about the potential trade war and its impact on corporate earnings. The Nasdaq,for example, dropped over 4% in after-hours trading following the reciprocal tariff announcement.

By April 7, 2025, the S&P 500 had decreased approximately 9.8% from the previous week's close. The DJIA fell down about 9.6% over the same period, and the Nasdaq declined roughly 9.7%.

MITIGATION STRATEGIES

Previous Tariff Report Updates from LogicSource have outlined actionable mitigation strategies that Finance and Procurement teams can deploy to offset anticipated cost increases. In light of recent developments, we observe a growing trend among corporations willing to take a firmer stance — simply declining to accept tariff-related cost increases.

LogicSource recommends that companies proactively communicate to any supplier proposing a tariff-driven price adjustment that such increases will not be accepted at this time. While this approach may not yield full compliance from all suppliers, it often results in some absorbing the additional costs or delaying the increase for a period of time. To support this strategy, companies should consider including firm, clear messaging such as the following:

1. **CONTRACTUAL AGREEMENT**
   "Our current agreement with [Vendor Name] includes fixed pricing for the duration of the contract term. As such, we expect all agreed-upon pricing and terms to remain unchanged per the contractual obligations in place."

2. **MARKET EVALUATION**
   "We are actively monitoring the broader market to assess the impact of these tariffs across our supply chain. We recognize that tariff-driven cost changes may affect various industries differently, and we will conduct a thorough review of competitive pricing before engaging in any discussions regarding price adjustments."

3. **COST MITIGATION EXPECTATIONS**
   "As a strategic partner, we expect our suppliers to explore all available cost-mitigation strategies before seeking price adjustments. These may include alternative sourcing, operational efficiencies, supply chain optimizations, or negotiations with your upstream suppliers to offset cost increases."

CONCLUSION

In conclusion, the unprecedented scope and scale of the new U.S. tariff measures — particularly the baseline 10% tariff and country-specific reciprocal rates (paused for 90 days) — will have far-reaching implications across sourcing, supply chains, and indirect spend categories. Companies must move quickly to assess exposure, engage suppliers, and implement cost-containment strategies to preserve margins and avoid operational disruption. LogicSource strongly recommends that Finance and Procurement teams take immediate action by conducting a comprehensive tariff impact assessment, prioritizing high-risk categories, and communicating clear supplier negotiation strategies. Staying ahead of these changes will be critical to protecting your bottom line in the months ahead.

ABOUT **THE AUTHORS**

This report was produced by the LogicSource Indirect Category Leaders and Center of Excellence, which leverages decades of expertise and data to help organizations navigate global trade challenges and optimize their procurement strategies. With a dedicated team of 180+ indirect category experts and access to $150B+ in indirect pricing data, LogicSource equips our clients with the insights and tools needed to make informed decisions, mitigate risk, and drive sustainable value.

This update supplements the original **LogicSource 2025 Tariff Impact Analysis**. For detailed category-specific impacts and baseline analysis, please refer to the original report.

For more information or to discover how LogicSource can help your organization achieve best-in-class buying, visit **logicsource.com**.