INTERNATIONAL FRESH PRODUCE ASSOCIATION

Tariff Update: White House Revises Canada Section 338 Product List

November 2, 2026

BOTTOM LINE

The White House has revised the products subject to 50% Section 338 tariff on imports from Canada. The changes took effect at 12:01 a.m. EDT on October 30, 2026. Produce and floral products generally remain outside this particular action, but several packaging, equipment, and other supply-chain inputs moved into or out of scope of the tariffs.

What Changed

On October 23, the White House issued a proclamation, further modifying the tariff list first announced in July and revised in September. The latest action removes 22 tariff lines and adds 100 tariff lines. Covered Canadian products remain subject to an additional 50% ad valorem duty.

Removed from the Section 338 list:

corrugated paper and paperboard cartons and boxes; plastic boxes, cases, crates, packing bags and sacks; non-adhesive plastic film and sheets; certain refrigeration and freezing equipment; agricultural cleaning, sorting, and grading machinery; packing, wrapping, filling, sealing, and labeling machinery; plywood sheets; and seaweed and algae products.

Added to the Section 338 list:

certain valves; carpets, vinyl flooring, and wood flooring panels; waste and sludge products; fiberboard, wood packing boxes, and other wood products; paper and paper bags; cocoa powder, paints, putty, lubricants, artificial wax, and shampoo; canoes, pleasure-boat parts, archery equipment, and artificial turf; window air conditioners, chest freezers, handheld electric tools, and certain surgical and scientific equipment.

What It Means for Produce and Floral Businesses

- Fresh produce and floral products generally remain outside the scope of this specific Section 338 action and maintain their tariff free status under USMCA.
- The action can still affect industry costs through inputs and supply-chain items. Businesses should review the current HTSUS annex for packaging, machinery, refrigeration, wood, paper, and related products they import from Canada.
- USMCA qualification does not exempt a covered product from these Section 338 duties. The White House states that the tariffs apply to covered goods regardless of USMCA origin and are additional to any applicable Section 232 duties.
- Importers should confirm product classification and duty treatment with their customs broker or trade counsel before entry.

What Comes Next

IFPA will continue monitoring changes to the Section 338 product list, related trade actions affecting Canada and Mexico, and final determinations in strawberry and mushroom AD/CVD investigations, as well as outstanding trade investigations affecting other countries. Members should continue checking classifications and applicable cash-deposit rates at the time of entry.

Resources

- White House fact sheet
- Federal Register notice and annex
- IFPA Statement on Canadian Tariff Exemptions

Questions may be directed to USGR@freshproduce.com.

This resource is for general informational purposes and is not legal or customs advice. Tariff treatment depends on product classification, origin, entry date, and other facts.