



State of U.S. Tariffs: October 30, 2025

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[Download the Data](#) 

Key Takeaways

1

The Budget Lab (TBL) estimates the effects of all US tariffs and foreign retaliation implemented in 2025 through October 30, including the reported cut to tariffs on Chinese imports and the new tariffs on medium- and heavy-duty vehicles and buses. This report looks at two scenarios: one where these tariff policies remain in effect in perpetuity, and another where the IEEPA tariffs are invalidated and refunded after the Supreme Court decision and are not replaced under other authorities.

2

Current Tariff Rate: Consumers face an overall average effective tariff rate of 17.9%, the highest since 1934. After consumption shifts, the average tariff rate will be 17.4%. (If IEEPA tariffs are invalidated, the rate would be 9.1%.)

3

Overall Price Level & Distributional Effects: TBL assumes the Federal Reserve “looks through” the tariffs and allows prices to rise such that the tax burden is felt through prices rather than nominal incomes. The price level rises by 1.3% in the short run, representing a loss of \$1,800 for the average household and \$1,000 for households at the bottom of the income distribution. (Without IEEPA, the price level impact would instead be 0.6%.)

4

Commodity Prices: The 2025 tariffs fall most heavily on apparel, products with high metal content like electrical equipment and computers, and motor vehicles. (If IEEPA tariffs are invalidated, the burden on apparel and related products would largely be relieved.)

5

Real GDP Effects: Tariffs slow US real GDP growth by 0.5 pp in both 2025 and 2026. In the long run, the US economy is persistently 0.35% smaller, the equivalent of \$105 billion annually in 2024\$. (If IEEPA tariffs are invalidated, the long-run hit to output is instead 0.1%.)

6

Labor Market Effects: The unemployment rate rises 0.3 percentage points by the end of 2025 and 0.7 percentage points by the end of 2026. Payroll employment is about 490,000 lower by the end of 2025. (If IEEPA tariffs are struck down and collections are refunded, the 2026 hit to employment would be smaller.)

7

Long-Run Sectoral GDP & Employment Effects: In the long run, tariffs present a trade-off. US manufacturing output expands by 3.2%, but these gains are more than crowded out by other sectors: construction output contracts by 4.0% and agriculture declines by 0.7%. (These relative patterns are similar with or without IEEPA tariffs.)

8

Fiscal Effects: All tariffs to date in 2025 raise about \$2.6 trillion over 2026-35, though slower economic growth reduces revenues and brings the net dynamic revenue to \$2.2 trillion. (Invalidating IEEPA would cut these revenue streams by more than half.)

Note: an earlier version of this report contained an error related to the overall effective tariff rate, which was misreported at 17.2. This number and related figures have been corrected. The correct overall effective tariff rate is 17.9.

Changes Since the Last Report

TBL has incorporated the following changes since the [October 17 report](#):

New Policy. Since the last update, there have been several developments in U.S. tariff policy:

- The administration released an official proclamation for Section 232 tariffs on medium- and heavy-duty vehicles and buses and their associated parts. This update incorporates the effects of these new tariffs.
- The U.S. and China [announced a new trade agreement](#) that would reduce the IEEPA “fentanyl” tariff rate on Chinese imports from 20% to 10%. This change in policy is reflected in this report.
- The U.S. and South Korea reportedly [agreed to a new trade deal](#) including an agreement that the U.S. would keep the IEEPA tariff rate on South Korean imports at 15% rather than increase it to 25%. Because the 25% had not actually been implemented, this deal does not reflect a policy change under TBL’s current-policy tariff baseline.
- The President [threatened an additional 10% tariff on Canadian imports](#) in a social media post. Consistent with TBL’s “real-time current policy” baseline for tariff analysis, which only reflects policy that has been implemented (not merely threatened or scheduled for the future), the effects of these tariffs are not included in this report. Their inclusion, however, would not materially affect the results of this report.¹ TBL will update the analysis if such tariffs are implemented.

Refinements to Effective Tax Rate Calculations. Since the last update, TBL updated its methodology for calculating effective tariff rates. The new approach implements a more detailed mapping between official HS codes and GTAP sectors. All else equal, this change leads to a 0.2 percentage point increase in TBL’s estimated overall effective tariff rate. The underlying code for these calculations can be found at [this public repository](#).

Current Tariff Policy as of October 30

U.S. Tariffs****	Retaliatory/Deal Tariffs
10% broad tariff on all Chinese imports (effective February 4; increased March 4; reduced October 30)	China 10%/15% list (announced February 4)
10% tariff on Canadian potash and energy (effective April 2)	Canada 25% list (announced March 4)
25% tariff on all Mexican imports. 35% on other Canadian imports* (prior 25% rates effective March 4, 35% rate effective August 7)	China 10%/15% list (announced March 4)
25% tariff on all automobiles, with an exemption for US content and a discount through April 2027 on parts tariffs for US-assembled autos** (effective April 3), reduced to 10% on the first 100K UK imports (announced May 8), 15% on the EU (announced July 31).	Canada 25% list (announced March 13)
50% tariff on all steel and aluminum imports (effective March 12, raised May 30), 0% on the UK (announced May 8), extended to steel derivative products (effective June 23)	China broad 125%, lowered to 10% for 90 days (announced April 4; increased April 11; lowered May 12)
50% tariff on copper imports, clarified to exclude refined copper and copper ore (announced July 8, effective August 7).	UK reduction in ethanol tariff on the US to 0% (announced May 8)
Modified April 2 announcement: 10% minimum tariffs on all countries ex. China, Canada, & Mexico; 125% tariff on China lowered to 10% for 90 days on May 12 (effective April 9, modified April 9, 90-day duration)***. July 31 unilateral announcements and bilateral deals with Japan, Indonesia, the Philippines, & the EU (effective August 7). 50% tariff on India.	August 22 announcement: Canada effectively dropping most of their retaliatory tariffs against the US. August 20: US expanded the scope of steel & aluminum tariffs.
US-Vietnam July 2 framework: 20% broad tariff, 40% tariff on goods transshipped from China	
Various wood-related tariffs: 10% on softwood lumber and timber; 25% on certain wooden cabinets, vanities, and upholstered furniture, with lower rates for Japan, the UK, and the UK (effective October 14).	
25% tariff on medium- and heavy-duty trucks and their associated parts; 10% tariff on buses (effective November 1).	

* USMCA-compliant trade remains duty-free.

** TBL assumes that 40% of automobile content in imported motor vehicles from Canada and Mexico are of US origin. For the purposes of the auto tariff rebate, TBL assumes that 1/3 of imported autos are assembled in the US.

*** The tariffs announced on April 2 apply to most imported goods but exempt steel, aluminum, and autos—which have already been tariffed separately this year—as well as copper, pharmaceuticals, semiconductors, lumber, energy, and critical minerals. The Administration clarified the scope of the semiconductor exemption on April 13. TBL carved out these commodities in its analysis of the April 2 announcement but does stack tariffs on those commodities from earlier announcements where applicable.

**** [Executive Order 14289](#) prevents many tariffs from stacking with one another and establishes the stacking order for tariffs, with the Section 232 automobile tariffs being the highest priority.

Table: The Budget Lab • Created with [Datawrapper](#)

Results

This report presents two scenarios for tariff policy:

1. **Baseline.** In this scenario, tariff policies as of October 30 remain in effect in perpetuity (“Baseline”). This scenario is the focus of the report.
2. **IEEPA Invalidation.** In this scenario, IEEPA tariffs are invalidated by the Supreme Court and refunded to importers. Tariffs under other legal authorities are unaffected, and the lost revenues from IEEPA tariffs are not replaced by new tariffs under other authorities. Detailed estimates for this scenario can be found in the data download file.

The table below summarizes TBL’s estimated effects under both scenarios.

Table 1. Summary Economic & Fiscal Effects of 2025 Tariffs Through October 30

	Baseline	IEEPA Invalidation
Effective Tariff Rates		
Overall, Pre-Substitution	17.9%	9.1%
Overall, Post-Substitution	17.4%	9.1%
Fiscal		
Conventional Revenue, 2026-2035 (Trillions)	\$2.6	\$1.3
Dynamic Revenue, 2026-2035 (Trillions)	\$2.2	\$1.1
Prices		
Percent Change in PCE Price Level, pre-substitution	1.3%	0.6%
Percent Change in PCE Price Level, post-substitution	1.2%	0.6%
Average Household Real Income Loss, Pre-Substitution (2025\$)	-\$1,800	-\$770
Average Household Real Income Loss, Post-Substitution (2025\$)	-\$1,600	-\$740
Output and Employment		
Percentage Point Change in Q4-Q4 GDP Growth, 2025	-0.5	-0.4
Percentage Point Change in Q4-Q4 GDP Growth, 2026	-0.5	0.1
Percent change in long-run GDP	-0.35%	-0.10%
Change in the Unemployment Rate, End of 2026	0.7	0.2

Table: The Budget Lab • Source: Congressional Budget Office, S&P Global, GTAP v7 [Corong et al (2017)], GTAP-RD, The Budget Lab analysis. • Created with [Datawrapper](#)

Average effective tariff rate

The distinction between *pre-substitution* metrics (before consumers and businesses shift purchases in response to the tariffs) and *post-substitution* (after they shift) is a crucial one. One metric where the difference is meaningful is the average effective tariff rate.

Measured pre-substitution—assuming there are no shifts in the import shares of different countries—the 2025 tariffs to date are the equivalent of a 15.5 percentage point increase in the US average effective tariff rate. That calculation assumes that, for example, the share of imports from China remains at 14%, where it was in 2024. This is the right way to think about the tariffs from the perspective of consumer welfare, since it reflects the full cost faced by consumers before they start making difficult spending choices. This increase would bring the overall US average effective tariff rate to 17.9%, the highest since 1934.²

The effective tariff rate implied by policy has fluctuated substantially this year, starting at 2.4% in early January and peaking at about 28% in the wake of the April 9 and 13 announcements.

Post-substitution—after imports shift in response to the tariffs—the 2025 tariffs are a 14.9 percentage point increase in the US average effective tariff rate, which brings the overall US effective tariff rate to 17.4%, the highest since 1935. The timing of the transition from “pre” to “post” substitution is highly uncertain. Some shifts are likely to happen quickly—within days or weeks—while others may take longer.³

Table 2. Average Effective US Tariff Rate, New 2025 Policy through October 30

Pre- and post-substitution

	Effective Tariff	Import Share		Average Effective Tariff	
		Pre- Substitution	Post- Substitution	Pre- Substitution	Post- Substitution
China	20.2	14%	12%	2.7	2.4
Canada	7.9	13%	15%	1.0	1.2
Mexico	10.7	15%	19%	1.7	2.1
Rest of World	17.3	58%	54%	10.1	9.3
Total		100%	100%	15.5	14.9

Table: The Budget Lab • Source: Source: GTAP v7, The Budget Lab analysis. • Created with [Datawrapper](#)

Figure 1. Average Effective US Tariff Rate, New 2025 Policy through October 30

By Country Contribution and Pre/Post Substitution Percentage points

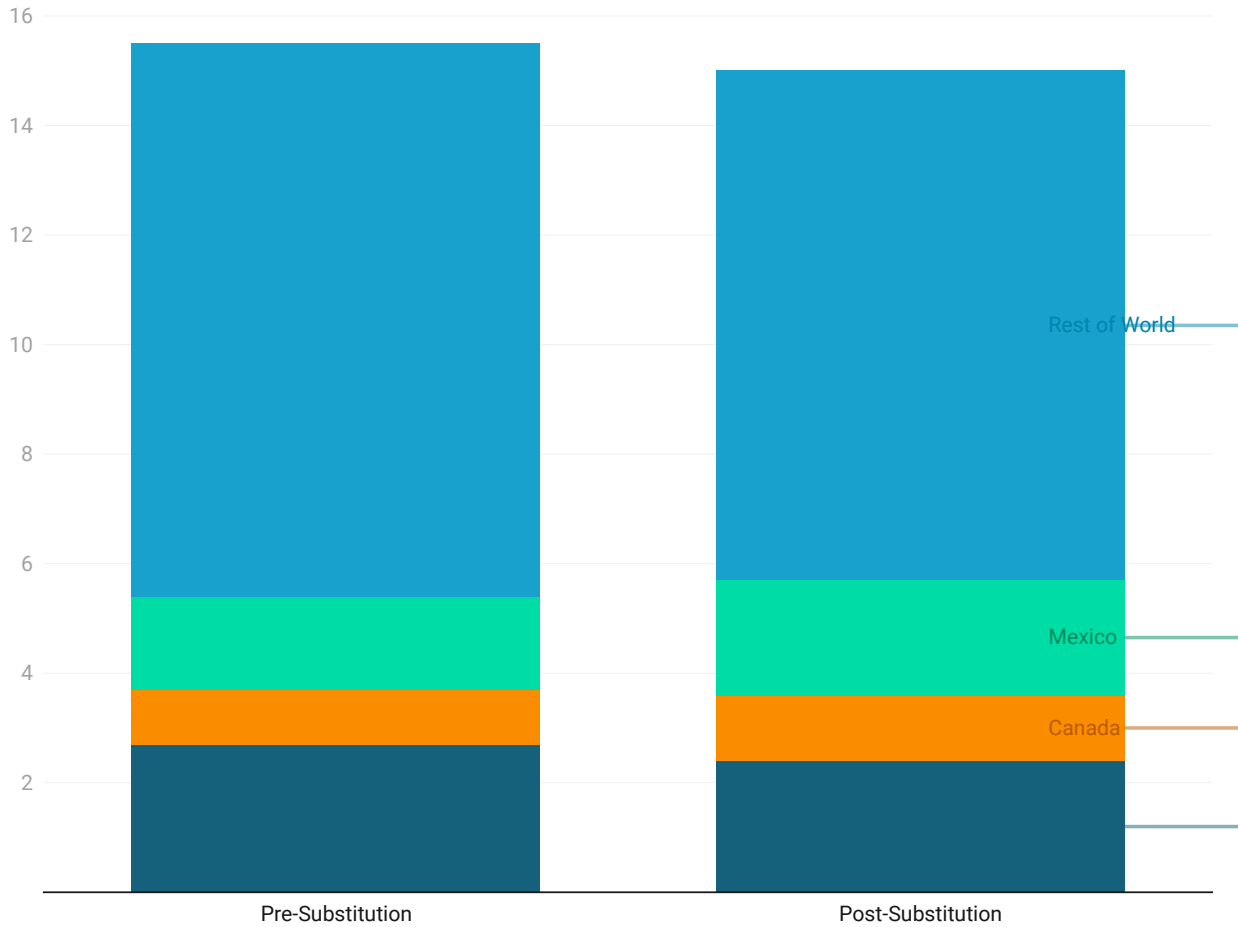


Chart: The Budget Lab • Source: Source: GTAP v7, The Budget Lab analysis. • Created with [Datawrapper](#)

Figure 2. U.S. Average Effective Tariff Rate Since 1790

Customs duty revenue as a percent of goods imports

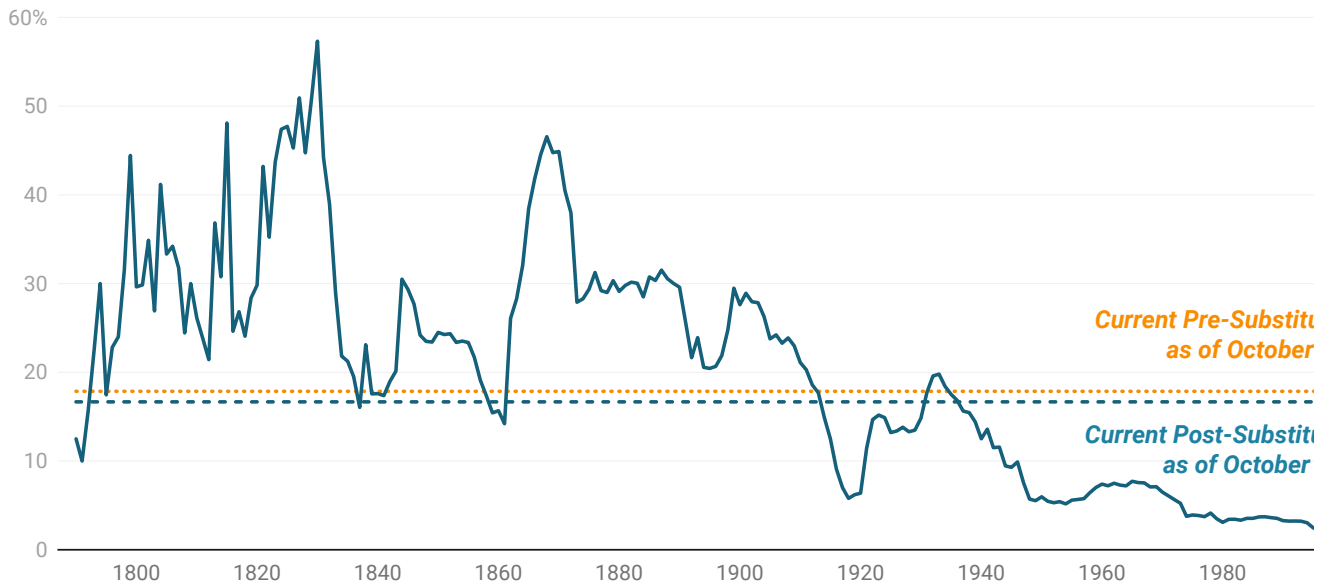


Chart: The Budget Lab • Source: Historical Statistics of the United States Ea424-434, Monthly Treasury Statement, Bureau of Economic Analysis, The Budget Lab analysis. • Created with [Datawrapper](#)

Figure 3. U.S Average Effective Tariff Rate Since January 1, 2025

Policy as of October 30, Pre-Substitution
Percent of goods import



Chart: The Budget Lab • Source: The Budget Lab analysis. • Created with [Datawrapper](#)

Average aggregate price impact

The 2025 tariffs imply an increase in consumer prices of 1.3% in the short run, assuming no policy reaction from the Federal Reserve and full passthrough of tariffs to consumers. As a result, TBL assumes the real income adjustment comes **primarily through prices rather than nominal incomes**. If the Federal Reserve reacted instead by letting nominal income growth temporarily slow, the adjustment would take the form of lower nominal incomes. This is a

pre-substitution number that captures consumer welfare effects. It is the equivalent of a short-run income loss⁴ of about \$1,800 per household on average in 2025 dollars. The post-substitution price increase settles at 1.2%, a \$1,600 short-run loss per household.

US real GDP & labor market effects

All 2025 US tariffs plus foreign retaliation lower real GDP growth by about 0.5 pp in both 2025 and 2026. The unemployment rate ends 2025 0.3 percentage points higher and 2026 0.7 percentage points higher, and payroll employment is 490,000 lower by the end of 2025. The level of real GDP remains persistently 0.35% smaller in the long run, the equivalent of \$105 billion 2024\$ annually, while exports are 16% lower.

Figure 4. U.S. Real GDP Level Effects of 2025 Tariffs to Date

U.S. tariffs implemented through October 30
Percentage point change against baseline

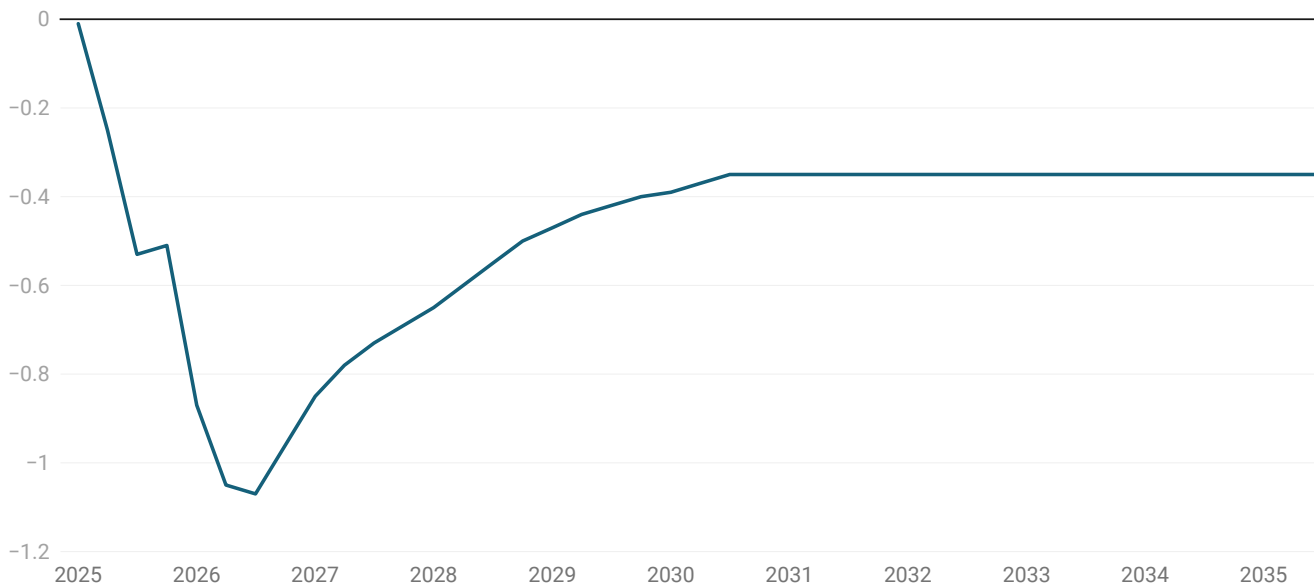


Chart: The Budget Lab • Source: Historical Statistics of the United States Ea424-434, Monthly Treasury Statement, Bureau of Economic Analysis, The Budget Lab analysis. • Created with [Datawrapper](#)

Long-run US sectoral output & employment effects

Tariffs shrink the overall size of the US economy in the long-run by 0.35%, but beneath aggregate GDP they also drive reallocation across US sectors. Long-run output in the manufacturing sector expands by 3.2%, within which nonadvanced durable manufacturing seeing the largest gains and advanced manufacturing seeing a slight decline. This expansion of the overall manufacturing sector, however, more than crowds out the rest of the economy: construction contracts by 4.0%, agriculture by 0.7%, and mining & extraction by 2.1%.

Figure 5. Change in Long-Run Real U.S. GDP by Sector from 2025 Tariffs

U.S. tariffs implemented through October 30, plus foreign retaliation.
Percentage points.



Real value added by sector.

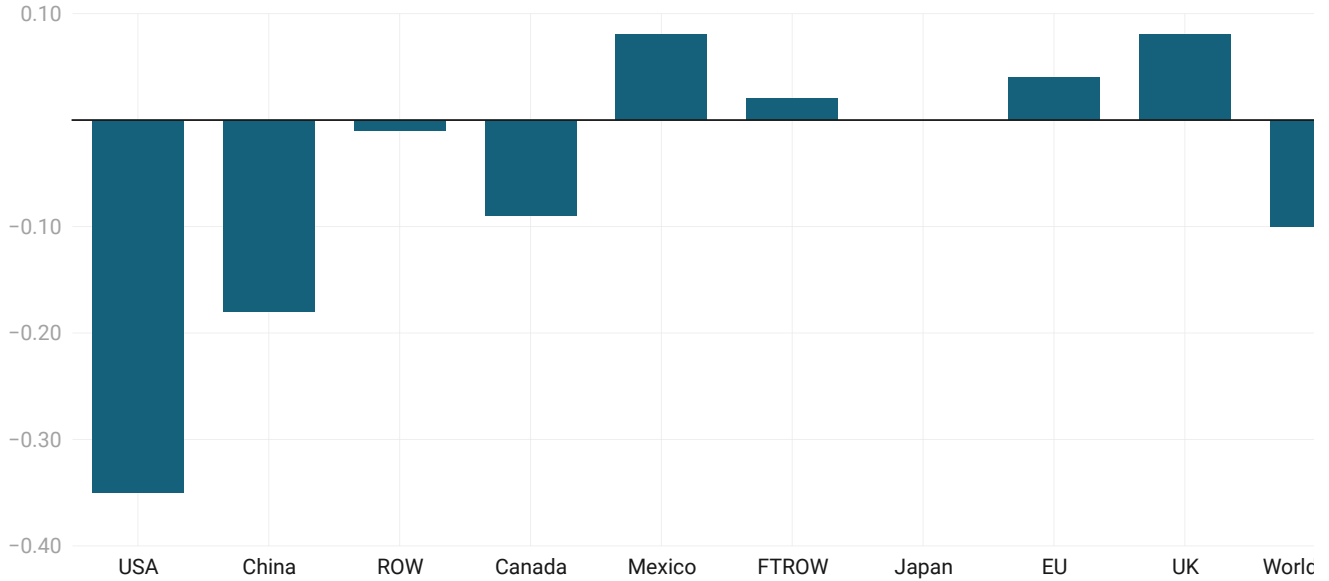
Chart: The Budget Lab • Source: GTAP v7, The Budget Lab analysis. • Created with [Datawrapper](#)

Global long-run real GDP effects

The UK and Mexico are the biggest winners from the 2025 tariffs to date, with each economy about 0.1% larger in the long run. Canada’s economy is 0.1% smaller in real terms. China’s economy is 0.2% smaller, a bit more than half as large as the hit to the US. The EU’s economy is about 0.05% larger in the long run.

Figure 6. Long-Run Change in Real GDP Level from 2025 Tariffs to Date

U.S. tariffs implemented through October 30
Percentage point change



FTROW = countries with a comprehensive free trade agreement with the US
ROW = all other countries

Chart: The Budget Lab • Source: GTAP v7 [Corong et al (2017)], The Budget Lab analysis. • Created with [Datawrapper](#)

Fiscal impact

The 2025 tariffs to date, were they to remain in place, would raise almost \$2.6 trillion over 2026-35 conventionally-scored (\$2.2 trillion over 2025-34).^{5,6} Given the negative output effects of the tariffs, these new revenues will be partially offset by reductions in tax revenue as a result of lower growth. Based on Congressional Budget Office rules-of-thumb, TBL estimates that these effects would total more than \$400 billion over the decade.

Table 3. Estimated Revenue Effects of All 2025 Tariffs, as of October 30

By Fiscal Year
Billions of dollars

	2025*	2026	2027	2028	2029	2030	2031	2032
Conventional	111	238	230	238	246	255	265	275
Dynamic	103	193	172	187	204	217	228	236
<i>Dynamic effect</i>	-8	-44	-58	-51	-42	-38	-37	-39

* FY2025 reflects actual tariff revenue to date.

Table: The Budget Lab • Source: Source: Congressional Budget Office, GTAP v7 [Corong et al (2017)], The Budget Lab analysis. • Created with [Datawrapper](#)

Distributional impact

One way to measure the distributional burden of tariffs is to look at the relationship between consumption, which gets more expensive under tariffs, and income for a given year. Under this view, tariffs are a regressive tax because lower-income households spend a larger fraction of their income than higher-income households do on average.

TBL finds that the short-run burden on the first decile is more than three times that of the top decile (-2.7% versus -0.8%). The average annual cost to households in the first and top decile rise to about \$1,000 and \$4,100 respectively in 2025\$. The median cost is about \$1,500 per household.

Figure 7. Short-Run Distributional Impact of 2025 Tariffs to Date

Through October 30

Percentage points of disposable income by household income decile

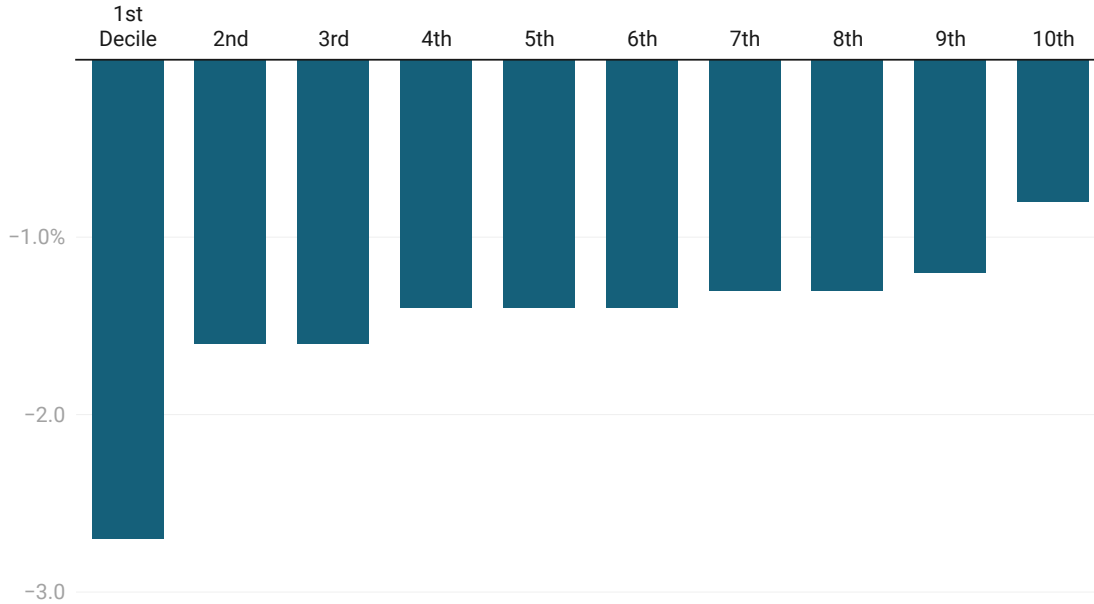


Chart: The Budget Lab • Source: GTAP v7, Census, BLS, BEA, The Budget Lab analysis. • Created with [Datavrapper](#)

Constant 2025\$ of Average Disposable Income per Household

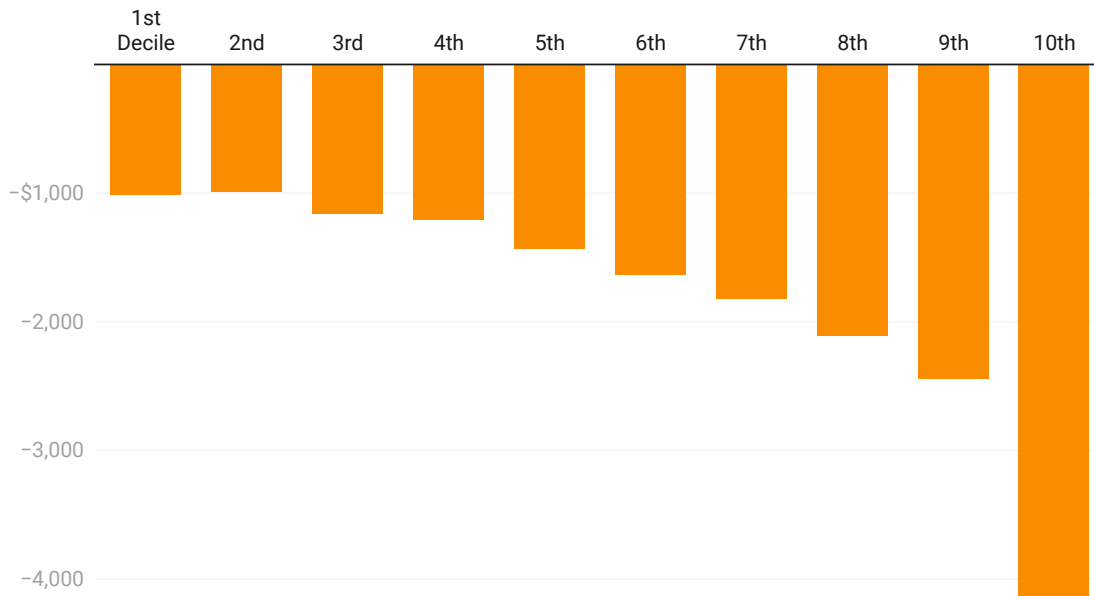


Chart: The Budget Lab • Source: GTAP v7, Census, BLS, BEA, The Budget Lab analysis. • Created with [Datavrapper](#)

Commodity price effects

The charts below show how the 1.3% price level increase from the 2025 tariffs to date would look across individual commodities in the short-run (pre-substitution), as well as the 1.1% long-run price increase (post-substitution).

Some high level takeaways:

- Consumers face particularly high increases in leather and clothing in the short run: prices increase 24% for leather products (shoes and hand bags) and general apparel, and 15% for textiles. After substitution and global supply shifts in the long run, prices remain 8%, 8%, and 5% higher, respectively.
- Metal imports are a central target of recent tariffs. Beyond raw materials which face direct price impacts, affected consumer products include electoral equipment and consumer electronics (16-18% short-run price effect, 5-6% long-run price effect).
- Food prices rise 1.9% in the short run and stay 1.6% higher in the long run.
- Motor vehicle prices rise 10% in the short run and 5% in the long run, the equivalent of an additional roughly \$5,000 and \$2,500 respectively to the price of an average 2024 new car.

Figure 8. Commodity Price Effects from 2025 Tariffs through October 30

Percent change to price level

name	Short Run	Long-Run
Wearing apparel	24.4	8.4
Leather products	24.2	8.3
Crops nec	23.8	8.0
Metals nec	18.8	6.8
Electrical equipment	18.3	7.0
Metal products	16.4	5.5
Computer, electronic and optical	15.6	5.4
Textiles	14.8	5.0
Machinery and equipment nec	11.7	5.0
Transport equipment nec	11.4	5.0
Motor vehicles and parts	10.4	5.4
Manufactures nec	8.8	3.4
Mineral products nec	8.3	3.2
Rubber and plastic products	7.9	3.3
Ferrous metals	5.4	2.7
Processed rice	5.0	5.4
Wood products	3.3	2.1
Fishing	3.3	2.3
Vegetables, fruit, nuts	3.3	1.9
Chemical products	3.2	1.9
Vegetable oils and fats	2.8	1.5
Food products nec	2.5	1.8
Beverages and tobacco products	1.8	1.9
Paddy rice	1.8	1.2
Paper products, publishing	1.7	1.6
Forestry	1.1	1.1
Animal products nec	1.0	1.0
Cereal grains nec	0.9	1.2
Sugar	0.8	1.4
Bovine meat products	0.8	1.1
Oil	0.6	0.1
Dairy products	0.5	1.2
Meat products nec	0.3	0.9
Oil seeds	0.3	0.4
Basic pharmaceutical products	0.3	0.5
Wool, silk-worm cocoons	0.2	5.3

Petroleum, coal products	0.2	0.2
Electricity	0.1	0.7
Minerals nec	0.1	0.3
Plant-based fibers	0.1	0.8
Natural gas	0.1	0.4
Bovine cattle, sheep and goats	0.0	0.8
Sugar cane, sugar beet	0.0	0.4
Wheat	0.0	0.8
Coal	0.0	0.3
Construction	0.0	1.2
Raw milk	0.0	1.0
Water	0.0	1.0
Gas manufacture, distribution	0.0	0.7
Air transport	0.0	0.5
Accommodation & food services	0.0	0.8
Communication	0.0	0.8
Water transport	0.0	0.7
Financial services nec	0.0	0.7
Insurance	0.0	0.6
Business services nec	0.0	0.8
Transport nec	0.0	0.7
Warehousing and support	0.0	1.0
Recreational and other services	0.0	0.8
Human health and social work	0.0	0.8
Public Administration	0.0	0.8
Real estate activities	0.0	0.7
Trade	0.0	0.8
Dwellings	0.0	0.7
Education	0.0	0.7

"nec" = "Not elsewhere classified"

Table: The Budget Lab • Source: Source: GTAP v7 [Corong et al (2017)], The Budget Lab analysis. • Created with [Datawrapper](#)

Footnotes

- 1 A new 10% tariff on Canadian imports implemented under IEEPA in a fashion consistent with prior 2025 policy would have a small effect on the effective tariff rates due to the general exemption for USMCA-compliant trade. Under this scenario, we estimate that the (pre-substitution) overall effective tariff rate would rise by less than 0.1 percentage point and the effective tariff rate on Canadian imports would rise by about 0.6 percentage points.

- 2 TBL's estimated pre-substitution tariff rate fell from 18.0% in the last update to 17.9%. This 0.1pp net difference can be approximately decomposed into these factors: -0.9 pp due to modeling changes, +0.1 pp due to the new medium- and heavy-truck tariffs, and -1.1 pp due to lower tariffs on Chinese imports.
- 3 TBL assumes throughout its tariff analysis that the transition to longer-run GTAP equilibria occurs after three years.
- 4 TBL defines "income" as CBO-concept post-tax-and-transfer income. "Short-run" refers to the effect over the next couple of years; TBL proxies for this definition by using CBO projections of the distribution of income in 2027, expressed in 2025 dollars.
- 5 TBL employs a "relaxed conventional" assumption for the retaliation scenario, whereby foreign income is permitted to fall but US income remains fixed.
- 6 The Congressional Budget Office [has projected](#) that tariff policy in place as of August 19 reduces primary (non-interest) deficits by \$3.3 trillion over 2025-35. On a like-for-like policy basis, the differences between CBO's and TBL's estimates can be entirely explained by three factors: 1) CBO quotes the fiscal effects of tariffs on an 11-year basis (2025-35), while TBL quotes the effects on a 10-year basis (2026-35); 2) CBO does not adjust its estimates for non-compliance, while TBL reduces its first stage revenue estimates by 10% to account for additional non-compliance not captured in underlying trade elasticities; and, 3) CBO and TBL have different estimates of the average effective US tariff rate: in its August 22 report, CBO calculated that the average tariff rate was 18 percentage points higher due to new 2025 tariffs, while TBL, in its September 4 report, calculated the rate was 15 percentage points higher.