



## Press Release

# Destroying De Minimis

PAULINA ENCK | SEPTEMBER 10, 2024

Federal lawmakers are considering legislation that would alter or effectively eliminate the use of *de minimis*, a U.S. trade rule that allows imports valued below \$800 to enter the United States free from tariffs and added fees. In new research, Data Analyst Jacob Jensen calculates the costs and broader economic impacts of eliminating *de minimis*.

### Key points:

- The primary argument for restricting what critics call the “*de minimis* loophole” is that it disfavors U.S. trade interests and allows a path for illicit drugs and counterfeits to enter the country.
- These arguments ignore the extent to which data collection already takes place and fail to weigh the economic harms that would result from eliminating this rule.
- The full elimination of *de minimis* would impact more than 1 billion shipments – in total, valued at \$54 billion – and would result in \$8 billion to \$30 billion in additional annual costs that would eventually be passed on to consumers; eliminating *de minimis* would also harm small businesses, which would be forced to absorb these costs or else lose customers, as well as damage trade relations by encouraging retaliation.

[Read the analysis](#)