

119TH CONGRESS
1ST SESSION

H. R. 3363

To amend the Internal Revenue Code of 1986 to impose a tax on United States-bound circumvented cargo through Canada or Mexico and entering the United States.

IN THE HOUSE OF REPRESENTATIVES

MAY 13, 2025

Mr. NEWHOUSE introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to impose a tax on United States-bound circumvented cargo through Canada or Mexico and entering the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CARGO CIRCUMVENTION TAX.**

4 (a) IN GENERAL.—Chapter 36 of subtitle D of the
5 Internal Revenue Code of 1986 is amended by adding at
6 the end the following new subchapter:

7 **“Subchapter G—Cargo Circumvention Tax**

“Sec. 4499. Tax imposed.

1 **“SEC. 4499. TAX IMPOSED.**

2 “(a) IN GENERAL.—There is hereby imposed a tax
3 on any United States-bound circumvented cargo entering
4 the United States.

5 “(b) AMOUNT OF TAX.—The amount of the tax im-
6 posed by subsection (a) shall be an amount equal to 0.125
7 percent of the value (determined under the customs laws
8 of the United States) of the United States-bound cir-
9 cumvented cargo involved.

10 “(c) LIABILITY.—The tax imposed by subsection (a)
11 shall be paid by the importer of the cargo entering the
12 United States.

13 “(d) TIME OF IMPOSITION.—The tax imposed by sub-
14 section (a) shall be imposed at the time of entry into the
15 United States.

16 “(e) UNITED STATES-BOUND CIRCUMVENTED
17 CARGO.—For purposes of this section, the term ‘United
18 States-bound circumvented cargo’ means cargo which is
19 discharged from an ocean-going vessel in Canada or Mex-
20 ico and subsequently enters the United States by rail,
21 highway, airport, or inland port, including intact inter-
22 modal cargo or cargo which is modified, assembled, or con-
23 solidated in Canada or Mexico.

24 “(f) REGULATIONS.—The Secretary shall issue such
25 regulations or other guidance as may be necessary or ap-
26 propriate to carry out the purposes of this section, includ-

1 ing procedures for the collection of the tax imposed under
2 subsection (a) and penalties for non-compliance.”.

3 (b) CLERICAL AMENDMENT.—The table of sub-
4 chapters for chapter 36 of subtitle D of such Code is
5 amended by adding at the end the following new item:

“Subchapter G. Cargo circumvention tax.”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to cargo entering the United States
8 after December 31, 2025.

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