

Publications

March 9, 2026 • Updates

CIT Suspends Prior Order Requiring Immediate Refunds of IEEPA Duties

Key Takeaways

- The CIT has suspended its March 4 IEEPA refund order (as amended on March 5) to allow CBP time to develop and implement new ACE functionality to process those refunds.
- The contemplated ACE functionality, if implemented, will streamline the refund process by consolidating refunds and interest payments on an importer basis. CBP estimates that the functionality will be implemented in 45 days. CBP must provide a status report on its progress to the CIT by March 12, 2026.
- Importers must complete the steps necessary to receive refunds electronically through ACH.
- Because uncertainties remain, U.S. importers with liquidated entries for which the 180-day protest deadline will expire in the near term should consider filing protests while awaiting further guidance from CBP and the CIT.

On March 6, 2026, U.S. Court of International Trade (CIT) Judge Richard Eaton suspended his March 4 order broadly directing IEEPA refunds. After amending the refund order on March 5 to clarify that it applies to entries “subject to the IEEPA duties imposed by the Executive Orders considered by the Supreme Court in *Learning Resources*,” Judge Eaton’s latest directive provides that it no longer requires “immediate compliance.” In issuing this pause, Judge Eaton considered the declaration of the U.S. Customs and Border Protection’s (CBP) Executive Director and Trade Programs Directorate Brandon Lord, which discusses the agency’s current development of a new functionality in CBP’s Automated Commercial Environment (ACE), which would “streamline and consolidate refunds and interest payments on an importer basis.”

In addition to suspending the amended refund order, Judge Eaton separately ordered the government to “file a short report describing the progress Customs has made toward the development of a process to issue refunds of IEEPA duties paid with interest” by 2:00 p.m. EDT on March 12, 2026.

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Related Capabilities

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CBP Flags Volume and System Limits as Barriers to Immediate

Refunds

In his declaration, Lord described the challenges to immediate compliance with the amended refund order, emphasizing the sheer volume of the entries with IEEPA duties and inability of CBP's existing infrastructure to mass process refunds of that magnitude. According to Lord, as of March 4, "over 330,000 importers have made a total of over 53 million entries in which they have deposited or paid" duties imposed pursuant to IEEPA — totaling approximately \$166 billion — and most importers still have not completed the necessary set-up process to receive refunds electronically. Until importers complete this process, Lord indicated refunds will be rejected.

Lord further explained that CBP is currently developing new ACE functionality that "will streamline and consolidate refunds and interest payments on an importer basis," which the agency anticipates **will be ready for use in 45 days**.

How the Proposed ACE Refund Process Would Work

According to Lord, the new ACE functionality will involve the following steps:

1. The importer files a declaration in ACE with a list of entries on which IEEPA duties were paid.
2. ACE validates each entry within the declaration and automatically re-calculates the duty owed without the IEEPA duties with applicable interest.
3. CBP processes refunds as soon as practicable after verification.
4. ACE automatically liquidates or reliquidates the entries and aggregates the refunds with interest by importer and liquidation date.
5. After CBP certifies the refunds, the Department of Treasury issues IEEPA refunds electronically.

Action Items for Importers

Importers should complete the necessary steps to receive refunds electronically through CBP's Automated Clearing House (ACH). Failure to do so will result in rejected, delayed or unprocessed refunds.

While the CIT's amended refund order covers unliquidated entries and liquidated entries for which liquidation is not final, it is unclear how CBP will process liquidated entries for which the 180-day protest window will have expired by the time CBP implements the new ACE functionality. **Therefore, importers with liquidated entries approaching the end of the protest period are advised to file protests.**

In addition, importers who have paid IEEPA tariffs on imports from Brazil or India are strongly encouraged to file protests. It is unclear whether the amended refund order, which was clarified to cover "the IEEPA duties imposed by the Executive Orders considered by the Supreme Court in *Learning Resources, Inc. v. Trump*, 2026 WL 477534 (U.S. Feb. 20, 2026)," will reach the additional 40% IEEPA duty imposed on imports from Brazil through Executive Order 14323 and additional 25% IEEPA duty imposed on imports from India through Executive Order 14329.

If your business needs strategic legal guidance or anticipates potential impacts resulting from these announcements, contact Deanna Okun, Lydia Pardini, Dominic Bianchi, Polsinelli's Executive Action Working Group or your Polsinelli contact.