

US importers face delays and uncertainty in IEEPA tariff refund process after 2026 supreme court ruling

Neil Seiden // March 12, 2026

The Blueprint:

- The Supreme Court ruled on February 20, 2026, that IEEPA tariffs were illegal.
- Judge Eaton of the U.S. Court of International Trade ruled on March 4, 2026, that all importers are entitled to refunds.
- U.S. Customs and Border Protection announced plans for an automated refund process expected within 45 days.
- The administration is pursuing additional legal challenges that could delay refund issuance.

The Feb. 20, 2026, decision by the Supreme Court of the United States was a major development for U.S. importers. The court ruled that tariffs imposed under the International Emergency Economic Powers Act (IEEPA) were illegal. For many companies that had been paying these tariffs for years, the decision created the expectation that large refunds would eventually be issued. However, the ruling did not immediately eliminate uncertainty. Soon after the decision, President Trump suggested that the process of issuing refunds might not move quickly and raised the possibility that the matter could remain tied up, asking whether the process could take “years.” Around the same time, Peter Navarro, former director of the Office of Trade and Manufacturing Policy, also indicated the refund process could take “years” before companies could actually receive their money. These comments created significant concern within the business community. Even though the Supreme Court had ruled in favor of importers, companies worried that it could still take a very long time before refunds were issued.

Because of this uncertainty, a secondary market began to develop as companies looked for ways to convert their claims into immediate cash. Prior to the ruling, companies were receiving only about 22% of the expected value of their tariff



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refunds when selling their claims. After the court ruled, offers moved into the range of approximately 40% to 50%.

A very positive development occurred on March 4, 2026, when Judge Eaton of the U.S. Court of International Trade (CIT) ruled that all importers are entitled to benefit from the Supreme Court’s decision striking down the tariffs.

Additional encouraging news came during a closed session involving the CIT and the U.S. Customs and Border Protection (CBP) on March 6. During that session, CBP indicated it was working on modifications to its system that could facilitate refunds to be issued automatically. This automated process could be ready in approximately 45 days.

This caused many companies to rethink their earlier plans to sell their tariff claims at a large discount. Prior to March 4, the level of uncertainty surrounding the refund process had led us to recommend that companies at least consider selling their IEEPA tariff refunds in order to manage risk and liquidity. We reminded clients of the old saying on Wall Street, that “bulls and bears make money, but pigs get slaughtered.”

Based on the positive developments that occurred on March 4 in the CIT, many companies began shifting toward a wait-and-see approach. Businesses that are very profitable may be in a position to wait and see how events unfold.

Businesses with weaker balance sheets or ongoing cash flow challenges may need these refunds sooner rather than later. These companies may need to rely on the new refund process moving smoothly, or they may need to consider selling their refund claim or borrowing against their refunds, using the refund claim itself as collateral.

Just when there appeared to be hope, the administration has recently taken steps that could delay the timing and complicate the refund process. One step has been the continued pursuit of additional legal challenges and appeals related to the scope of refund relief ordered

by the CIT and there are many other steps the administration is taking. Each of these issues has the potential to add complexity and slow the overall process.

For businesses, the situation remains fluid. Some will continue to take a wait-and-see approach in hopes that refunds will arrive within the next few months, while others may still pursue financing or sale options to access liquidity sooner. Surprisingly, within the past few days, we have seen an increase in inquiries from importers interested in selling or borrowing against their refund claims. Just when we thought more businesses would adopt a wait-and-see approach, we are seeing the opposite. It appears many businesses do not believe they will receive their tariff refunds on a timely basis.

The next several weeks will likely determine whether the refund process begins moving quickly or becomes tied up in additional legal and administrative delays, driving more businesses to sell or borrow against their IEEPA tariff refund claims.

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