

International Emergency Economic Powers Act

What is the International Emergency Economic Powers Act?

More commonly referred to by its abbreviated form, IEEPA is a tool for the President to impose economic penalties during an emergency ([CLK](#)). Succeeding the Trading with Enemies Act [TWEA] in 1977, it is among one of 117 emergency statutes that fall under the National Emergencies Act [NEA]. In contrast to TWEA, IEEPA was designed for this period of relative peace ([Cambridge](#)).

To enact IEEPA, the national emergency must be declared to Congress and published in the Federal Register. It empowers the President to:

- A. Investigate, regulate, or prohibit the exchange of payments between banking institutions and the movement of currencies plus securities.
- B. Investigate, block, regulate, direct, compel, nullify, void, or prohibit transactions which involve any property.
- C. Confiscate the property of any party that engages in the planning, authorization, or aid in the attack of the United States

Given the statute's broad application, the President must specify the provisions of law they intend to use before proceeding ([CRS](#)). Traditionally, it was used to freeze assets, apply sanctions, and block imports from Iran, North Korea, and Russia ([Johnson](#)).

Utilization During the 2025 Administration

On Liberation Day, President Trump declared the United States trade deficit as a national emergency, he announced:

"In short, chronic trade deficits are no longer merely an economic problem. They're a national emergency that threatens our security and our very way of life. It's a very great threat to our country".

Through this justification, IEEPA was utilized to impose a baseline 10% tariffs on all U.S. trading partners ([ABC](#)).

Another emergency was declared off the threat of illegal aliens and fentanyl entering the country. President Trump also implemented an additional 25% tariff on Mexico and Canada plus a additional 10% tariff on China ([WhiteHouse](#)).

Court of International Trade

A coalition of states and businesses, affected by these policies, challenged the use of IEEPA. The Court of International Trade [CIT] ruled in their favor as the tariffs surpassed the statutory authority delegated to the President. Currently, the ruling is being appealed by the Court of Appeals for the Federal Circuit ([Brown](#)).

Key Takeaway

The unprecedented use of IEEPA alters the landscape in which economic sanctions are delivered. It still stands on whether they remain valid.

Links:

1. <https://www.cassidylevy.com/news/across-the-board-tariffs-can-a-us->

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[president-do-that/
#:~:text=Diving%20Deeper%20The%20International%20Emergency,found%20in%20IEEPA%20Section%201703.](#)

2. [https://www.cambridge.org/core/journals/modern-american-history/article/secret-life-of-statutes-a-century-of-the-trading-with-the-enemy-act/77DD7CF528D3190CFC8CF8FF6DDAACB0](#)
3. [https://www.congress.gov/crs-product/R45618](#)
4. [https://millerjohnson.com/the-ieepa-and-trump-administration-tariffs/](#)
5. [https://abcnews.go.com/Politics/trumps-liberation-day-arrives-gambles-big-risky-tariff/story?id=120382209](#)
6. [https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-imposes-tariffs-on-imports-from-canada-mexico-and-china/](#)
7. [https://www.mayerbrown.com/en/insights/publications/2025/06/ieepa-tariffs-at-a-crossroads-courts-intervene-what-comes-next](#)