



TRADE BULLETIN

What the New U.S. Tariffs Really Mean for Forest Products

A practical guide for lumber buyers, sellers, manufacturers and distributors

CLEAR INFORMATION. STRONG RELATIONSHIPS. TRUSTED INSIGHT.

Volume 1 | Issue 1

July 21, 2026

Document: ULI-TB-2026-001

Effective date of new 50% duties: August 19, 2026

THE BOTTOM LINE

Standard Canadian softwood dimension lumber and studs do not receive the new 50% Section 338 tariff because products already subject to Section 232 are excluded. The largest potential impact falls on selected value-added wood, panel, engineered-wood, pulp and paper classifications whose exact HTS codes appear in the new annexes.

LIMITED ADDITIONAL IMPACT	Standard softwood dimension lumber, studs and other covered Section 232 timber/lumber products.
SIGNIFICANT POTENTIAL IMPACT	Many plywood and laminated-wood codes, LVL, selected MDF/fiberboard, mouldings, veneer, edge-glued lumber and certain doors.
NOT A BLANKET TARIFF	Standard OSB, standard particleboard and finished pallets are not listed in the published Section 338 forest-product annexes.
CLASSIFICATION CONTROLS	The commercial product name is not enough. Exact HTS classification determines the duty result.

Executive Summary

The July 20 White House action imposes an additional 50% duty on selected Canadian goods beginning August 19, 2026. For forest products, the action is narrower and more technical than the headline suggests: the duty applies only to tariff classifications specifically listed in the annexes, and products already subject to Section 232 are excluded.

That distinction protects standard Canadian softwood dimension lumber and studs from an additional 50% layer. Those products remain within the existing trade framework: exporter-specific anti-dumping and countervailing duties where applicable, plus the 10% Section 232 tariff on covered softwood timber and lumber.

The more consequential impact is on selected products that were previously outside both the Canadian softwood-lumber AD/CVD order and the Section 232 timber/lumber list. Many plywood, laminated-wood, LVL, MDF/fiberboard, veneer, moulding, edge-glued lumber, door, pulp and paper codes appear in the annexes. However, coverage is code-specific, not category-wide.

DECISION RULE

Do not price from the product name alone. Confirm the 8- or 10-digit HTS classification, determine whether the imported article is already subject to Section 232, then check whether that exact base code appears in a Section 338 annex.

What Changed - and What Did Not

Trade measure	Status for Canadian forest products	Practical meaning
Softwood AD/CVD	Existing; exporter-specific	Still applies to in-scope Canadian softwood lumber.
Section 232 timber/lumber	Existing 10% on listed softwood codes	Covered articles are excluded from the new Section 338 duty.
Section 338 Canada action	New 50% on specifically listed codes	Applies August 19; may affect selected panels, value-added wood and paper products.
Forced-labor Section 301	Proposed only; Canada proposed at 10%	Do not add to landed cost yet. Proposed exclusions include Section 232 articles and USMCA-compliant Canadian goods.
CBP forced-labor enforcement	Existing shipment/supply-chain enforcement	Separate from a blanket tariff; can result in detention or exclusion when evidence supports it.

Verification Standard

Verified: Exact government annex or exclusion supports the conclusion. **Likely:** Strong classification support, but product-specific confirmation is still appropriate. **HTS review required:** Construction, processing or entry practice could change the tariff heading.

Product Impact Matrix

This matrix is a decision-support summary, not a substitute for product-specific customs classification. The exact HTS code and entry facts control.

Product	New 50% read	Confidence	What to do
Softwood dimension lumber / studs	No - Section 232 exclusion	Verified	Continue AD + CVD + 10% Section 232 where applicable.
Hardwood lumber, nesoi (4407.99.02)	Yes - listed	Verified	Add 50% unless another specific exclusion applies.
Coniferous veneer (4408.10.01)	Yes - listed	Verified	Confirm exact veneer classification before quoting.
Softwood mouldings (selected 4409 codes)	Yes - selected codes	Verified	Review profile, processing and code.
Standard OSB (typically 4410.12)	No - not listed	Verified	Do not assume OSB is covered by the new action.
Standard particleboard (typically 4410.11)	No - not listed	Verified	Separate from other board under 4410.19.
Other particle/similar board (4410.19)	Yes - listed	Verified	Exact classification is critical.
MDF / fiberboard	Selected codes only	Verified by code	Verify thickness, density and surface treatment.
Plywood / veneered panels	Many codes listed	Verified by code	High priority for broker/HTS review.
LVL (4412.41/.42/.49)	Yes - listed	Verified	Potentially one of the clearest EWP impacts.
Glulam / CLT / I-joists	Not broadly listed	HTS review required	Confirm actual 4418 or other classification.
Finished pallets (typically 4415.20)	No - heading not listed	Verified	Finished pallets are not in the published list.
Softwood pallet stock / components	Depends	High classification risk	Determine whether entry remains 4407, moves to 4409, or qualifies as 4415.
Hardwood pallet stock	Depends	High classification risk	4407.99.02 may be covered; finished pallet classification may not be.
Edge-glued lumber (4421.99.94)	Yes - listed	Verified	Add 50% unless excluded.
Doors / frames (selected 4418 codes)	Yes - selected codes	Verified	Confirm exact door and frame classification.
Wood pulp / paper	Selected codes only	Verified by code	Do not treat all pulp or paper as covered.

PALLET STOCK WARNING

Pallet stock is not one tariff category. Rough-sawn boards, profiled or notched components, unassembled kits and finished pallets can fall under different headings. The same commercial description may produce a different tariff result depending on processing and entry classification.

What Everyone's Asking

Does Canadian lumber now have another 50% tariff?

Not standard softwood dimension lumber or studs. Covered Section 232 timber and lumber are excluded from the new Section 338 duties.

Is plywood affected?

Many plywood and laminated-wood HTS classifications are listed. The correct answer depends on the exact code, construction, species, thickness and finishing.

Is OSB affected?

Standard OSB, typically classified under 4410.12, does not appear in the published Section 338 forest-product lists.

What about engineered wood and mass timber?

LVL under selected 4412 codes is listed. Glulam, CLT and I-joists are not broadly named and require product-specific classification review.

Could the proposed forced-labor tariff stack on top?

The proposal is not final. Canada is in the proposed 10% tier, but the proposal also contains exclusions for Section 232 articles and USMCA-compliant Canadian goods. Do not add it to pricing until final action is issued.

What should buyers and sellers do today?

Confirm the HTS code used on actual entries, identify Section 232 status, check the Section 338 annex, and document the conclusion before quoting long-dated business.

The Utah Lumber View

The biggest misconception surrounding this announcement is that every Canadian forest product suddenly became 50% more expensive. That is not what the proclamations say.

The real impact is more selective. Standard Canadian softwood lumber remains under the familiar AD/CVD and Section 232 framework. The most meaningful new exposure is concentrated in specific value-added wood, panel, engineered-wood, pulp and paper classifications that appear in the annexes and are not protected by another exclusion.

For buyers, sellers and manufacturers, the immediate business risk is not only the tariff itself - it is making decisions from a broad product description instead of the actual HTS classification. Products that sound similar can land in different headings and produce very different duty outcomes.

Utah Lumber recommends treating this as a classification and documentation exercise. Verify the code, confirm the applicable trade layers, and avoid passing along a headline-level conclusion as though it applies to an entire product category.

OUR PURPOSE

Every Utah Lumber Intel publication must leave the reader better equipped to make a business decision than they were before they started reading.

Annex II Forest-Product Code Reference

Part 1 - Chapter 44: Lumber, panels and engineered wood

The controlling Annex II contains 439 base HTS classifications. Of those, 87 fall within Chapters 44, 47 and 48. These two appendix pages reproduce the complete forest-product subset used to verify this bulletin.

VERIFICATION RESULT

Selected plywood, LVL, MDF/fiberboard, mouldings, veneer and hardwood lumber codes are listed. Standard OSB 4410.12, standard particleboard 4410.11 and finished pallets under heading 4415 are not listed.

4401 - Fuel wood	4412-B - Plywood / LVL	4412-C - Plywood / LVL
4401.12.00	4412.31.61	4412.52.10
	4412.31.92	4412.52.31
4402 - Wood charcoal	4412.33.06	4412.52.51
4402.90.01	4412.33.26	4412.91.06
	4412.33.32	4412.91.31
4407 - Hardwood lumber	4412.33.57	4412.91.41
4407.99.02	4412.34.26	4412.91.51
	4412.34.32	4412.92.07
4408 - Veneer sheets	4412.34.57	4412.92.11
4408.10.01	4412.39.10	4412.92.31
	4412.39.30	4412.92.42
4409 - Continuously shaped wood / mouldings	4412.39.40	4412.92.52
4409.10.40	4412.39.50	4412.99.58
4409.10.50	4412.41.00	4412.99.61
4409.10.90	4412.42.00	4412.99.81
4409.29.91	4412.49.00	4412.99.91
	4412.51.10	4412.99.97
4410 - Particleboard / similar board	4412.51.31	
4410.19.00		
4411 - Fiberboard / MDF		
4411.13.20		
4411.13.90		
4411.14.20		
4411.14.30		
4411.14.90		
4412-A - Plywood / LVL		
4412.10.05		
4412.10.90		
4412.31.06		
4412.31.26		
4412.31.42		
4412.31.45		
4412.31.48		
4412.31.52		

The descriptions are broad category aids. The exact eight-digit HTS provision controls.

Annex II Forest-Product Code Reference

Part 2 - Remaining Chapter 44, wood pulp and paper classifications

The codes below complete the 87-code forest-product subset. Inclusion in this list means the base classification appears in Annex II; final entry treatment still requires review of origin, Chapter 99 reporting and applicable exclusions.

4414 - Wooden frames 4414.90.00	4813 - Cigarette paper 4813.10.00
4418 - Doors, frames & thresholds 4418.21.80 4418.29.80	4814 - Wallpaper 4814.20.00
4420 - Ornaments / other wood articles 4420.19.00	4817 - Envelopes 4817.10.00
4421 - Other wood articles / edge-glued lumber 4421.99.70 4421.99.94 4421.99.98	4818 - Sanitary / household paper 4818.30.00 4818.90.00
4702 - Dissolving-grade wood pulp 4702.00.00	4819 - Packing containers 4819.10.00 4819.40.00 4819.50.40
4802 - Selected paper 4802.55.10	4820 - Stationery 4820.10.20 4820.30.00
4803 - Tissue stock 4803.00.40	4821 - Labels 4821.90.40
4810 - Coated paper 4810.29.10 4810.92.12	4823 - Other paper articles 4823.69.00 4823.70.00 4823.90.10 4823.90.67 4823.90.86
4811 - Coated / impregnated paper 4811.51.20 4811.51.40	

HOW TO USE THIS LIST

1. Confirm the product's actual HTS classification used on entry.
2. Determine whether the article is already covered by Section 232 or another exclusion.
3. Apply heading 9903.03.14 only when Annex II and the entry facts support it.
4. Confirm the result with a customs broker or trade counsel before entry.

Commercial product names are not sufficient for classification. Similar products can enter under different headings.

Sources & Verification Notes

This version was reconciled against the consolidated Annex II supplied to Utah Lumber. The exact HTS provisions in Annex II control over broad product descriptions, press summaries or prior working lists.

FINAL ANNEX II CHECK

Heading 9903.03.14 adds 50% to the duty under each listed base classification for qualifying Canadian goods entered on or after 12:01 a.m. Eastern time on August 19, 2026. Annex II contains 439 affected base HTS codes, including 87 forest-product codes in Chapters 44, 47 and 48.

Primary Sources

Controlling Annex II - exact consolidated HTS list

HTS Annex II.pdf; HTSUS heading 9903.03.14; verified by Utah Lumber July 21, 2026.

White House Fact Sheet - President Donald J. Trump Imposes Additional Tariffs on Canada (July 20, 2026)

<https://www.whitehouse.gov/fact-sheets/2026/07/fact-sheet-president-donald-j-trump-imposes-additional-tariffs-on-canada/>

Section 232 Timber and Lumber Proclamation (September 29, 2025)

<https://www.whitehouse.gov/presidential-actions/2025/09/adjusting-imports-of-timber-lumber-and-their-derivative-products-into-the-united-states/>

USTR proposed Section 301 forced-labor action (June 2, 2026)

<https://ustr.gov/sites/default/files/files/Press/Releases/2026/FRN%20-%20Section%20301%20Forced%20Labor%20Import%20Ban%20Actionability%20and%20Proposed%20Action%206-2-26%20FINAL.pdf>

IMPLEMENTATION CHECKPOINTS

1. Confirm CBP entry instructions and required Chapter 99 reporting before August 19.
2. Monitor for Federal Register publication or technical corrections to Annex II.
3. Do not add the proposed forced-labor Section 301 duty unless final action is published.
4. Confirm exact HTS classification with a customs broker or trade counsel before entry.

Prepared by Utah Lumber Co.

Lead Market Commentary: Tyrone Konecny, President

Important: This bulletin is intended as business and market guidance, not legal or customs advice. Tariff treatment depends on the imported article, country of origin, exact HTS classification, producer/exporter, entry date and future implementation guidance. Importers should confirm conclusions with their customs broker or trade counsel before entry.

Version 3 - reconciled to consolidated Annex II